

MIDDLESBROUGH COUNCIL	
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Report of:	Director of Legal and Governance Services
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Relevant Executive Member:	Not Applicable
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Submitted to:	Overview and Scrutiny Board
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Date:	7 May 2024
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Title:	Proposed Scrutiny Structure and Model
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Report for:	Decision
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Status:	Public
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Strategic priority:	Quality of service
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Key decision:	Not applicable
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Why:	Not applicable
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Subject to call in?:	Not applicable
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Why:	Not applicable
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Proposed decision(s)

That the Overview and Scrutiny Board:

- Approve the proposed scrutiny structure and model for implementation in the 2024/25 municipal year;
- Agree that, in April 2025, an evaluation be undertaken to review the scrutiny arrangements to consider the impact of the new structure and model, identify tangible results, diagnose any problems and prescribe any solutions; and
- Agree that the findings of the evaluation be reported to the Overview and Scrutiny Board for consideration.

Executive summary

The role that overview and scrutiny can play in holding an authority’s decision-makers to account makes it fundamentally important to the successful functioning of local democracy. Effective scrutiny helps secure the efficient delivery of public services and drives improvements within the authority itself. Conversely, poor scrutiny can be indicative of wider governance, leadership and service failure.

Action is required to address the following areas:

- There are occasions when the current work programming approach to scrutiny can focus time and resources on issues where the impact of any work done is likely to be minimal, when the consideration of other issues would be more effective.
- Given competing priorities and staffing levels, the current scrutiny structure is not sustainable and the quality of output (i.e. scrutiny reviews) is generally seen as lacking impact. Therefore, there is a need to increase capacity and resilience to enable officers to effectively support the scrutiny function.
- The current process lacks focus on pre-decision scrutiny (where a local authority's overview and scrutiny function looks at a planned decision before it is made by the executive), which offers tangible benefits.
- Given the current meeting cycle and the multiple work programmes in existence, there is a risk of imposing too great a burden on reporting officers.

By consulting the Centre for Governance and Scrutiny's (CfGS) Good Scrutiny Guide and relevant statutory guidance, Middlesbrough Council would benefit from the following:

- A new structure would make better use of available resources and would increase officer and stakeholder levels of support, and engagement, by reducing the number of meetings.
- An increased focus on pre-decision scrutiny would challenge assumptions, make evidence-gathering more robust and assist in ensuring that the Local Authority decisions are evidence-based.
- The productivity of scrutiny would increase by holding "single issue" committee meetings, which would facilitate roundtable discussions with key stakeholders and enable the triangulation of evidence from different sources.
- The Overview and Scrutiny Board's management of the work programme would provide continuous oversight and enable the Board to actively influence, prioritise and determine the urgency/importance of topics.

The Overview and Scrutiny Board is asked to:

- Approve the proposed scrutiny structure and model for implementation in the 2024/25 municipal year;
- Agree that, in April 2025, a an evaluation be undertaken to review the scrutiny arrangements to evidence the impact of the new structure and model, identify tangible results, diagnose any problems and prescribe any solutions; and
- Agree that the findings of the full evaluation be reported to the Overview and Scrutiny Board for consideration of the impact and effectiveness of the new Scrutiny model and whether any further changes would improve outputs.

1. Purpose

1.1 To seek the Overview and Scrutiny Board's approval of the proposed scrutiny structure and model.

1.2 In accordance with the Terms of Reference of the Overview and Scrutiny Board, the Board has delegated power to appoint and disband Scrutiny Panels as it sees fit.

2. Recommendations

That the Overview and Scrutiny Board

1. Approve the proposed scrutiny structure and model for implementation in the 2024/25 municipal year;
2. Agree that, in April 2025, an evaluation be undertaken to review the scrutiny arrangements to evidence the impact of the new structure and model, identify tangible results, diagnose any problems and prescribe any solutions; and
3. Agree that the findings of the full evaluation be reported to the Overview and Scrutiny Board for consideration.

3. Rationale for the recommended decision(s)

3.1 The Local Authority needs to take steps to ensure scrutiny has a clear role and focus within the organisation, i.e. within which it can clearly demonstrate it adds value. Therefore, a revised structure and model is necessary to ensure the scrutiny function concentrates on delivering work that is of genuine value and relevance to the work of the wider authority - this is one of the most challenging parts of scrutiny, and a critical element to get right if it is to be recognised as a strategic function of the authority.

4. Background and relevant information

4.1 The role that overview and scrutiny can play in holding an authority's decision-makers to account makes it fundamentally important to the successful functioning of local democracy. Effective scrutiny helps secure the efficient delivery of public services and drives improvements within the authority itself. Conversely, poor scrutiny can be indicative of wider governance, leadership and service failure.

4.2 A strong organisational culture that supports scrutiny work is particularly important in authorities with a directly-elected mayor to ensure there are the checks and balances to maintain a robust democratic system. Mayoral systems offer the opportunity for greater public accountability and stronger governance, but there have also been incidents that highlight the importance of creating and maintaining a culture that puts scrutiny at the heart of its operations.

4.3 The resource a local authority allocates to the scrutiny function plays a pivotal role in determining how successful that function is and therefore the value it can add to the work of the authority. Ultimately it is up to each authority to decide on the resource it provides, but every authority should recognise that creating and sustaining an effective scrutiny function requires them to allocate resources to it.

4.4 The prevailing organisational culture, behaviours and attitudes of an authority will largely determine whether its scrutiny function succeeds or fails. Creating a strong organisational culture supports scrutiny work that can add real value, in contrast, low levels of support for and engagement with the scrutiny function often lead to poor quality and ill-focused work that serves to reinforce the perception that it is of little worth and relevance.

4.5 Given the current meeting cycle and the multiple work programmes in existence, there is a risk of imposing too great a burden on reporting officers.

4.6 Although there is a scrutiny work plan prioritisation aid (to prioritise issues where scrutiny can make an impact, add value or contribute to policy development) this is seldom used during the

current work programming process. On occasion, the current work programming approach to scrutiny can focus time and resources on issues where the impact of any work done is likely to be minimal, when the consideration of other issues would be more effective. The current process also lacks focus on pre-decision scrutiny, which offers tangible benefits.

4.7 The CfGS’s Good Scrutiny Guide states “There are many different models for committee structures. No one model is “best”, and trying to compare the committee structures of different authorities in the hope that transposing those models to your own set of circumstances will, on its own, lead to failure.”

4.8 Scrutiny’s structures are often a reflection of the culture in which scrutiny operates and the role which has been agreed for it. There are a few common models:

- Single committee which does all the work. More common in smaller authorities, this approach sees all scrutiny work happening in a single, formal space.
- Single committee commissioning task and finish group. Here, a committee provides co-ordination of a number of task and finish groups - the committee will usually also undertake its own substantive work.
- Two committees dividing substantive topics between them (eg “people” and “places”).
- Two committees dividing issues between them differently (eg “policy development” and “performance”).
- Multiple committees (sometimes involving a corporate committee which “leads” the function, sometimes not).

4.9 The CfGS Guide states that form should follow function, and it is only when members and officers have a clear sense of the role of scrutiny, its approach to work programming and impact, that the structure to support that work can be properly evaluated.

Current Structure and Model

Scrutiny Structure

4.10 The current scrutiny structure for Middlesbrough Council consists of the Overview and Scrutiny Board and five Scrutiny Panels:

Overview and Scrutiny Board (the overarching body that receives information on finance, performance and topical issues)	Adult Social Care and Services Scrutiny Panel
	Children and Young People's Scrutiny Panel
	Environment Scrutiny Panel
	Health Scrutiny Panel
	Regeneration Scrutiny Panel

4.11 The Overview and Scrutiny Board and the five Scrutiny Panels currently meet on a monthly basis (with a recess in August).

Resources

- 4.12 Previously, Middlesbrough Council had operated a “dedicated scrutiny officer” model i.e. a Scrutiny Team consisting of five scrutiny officers each with a dedicated scrutiny remit.
- 4.13 Following a review of Democratic Services in 2016, the Council’s Governance Officer, Executive Officer and the Scrutiny Officer’s roles were merged to create a Democratic Services Officer post. It was agreed that the Democratic Services Officers would provide both administrative and policy support to the Scrutiny Panels, in addition to supporting all other Council committees. However, the CfGS still considers that the specialist “dedicated scrutiny officer” model provides the best opportunity for robust, high-quality support to councillors.
- 4.14 A report was approved at OSB in April 2023 that reduced the numbers of Scrutiny Panels from six to five. This structure reflected existing resource availability but unfortunately has not proven to be as effective as envisaged due to unforeseen long term absences within the Democratic Services Team. The proposal set out below reconfigures the scrutiny function to both enhance quality of output and to provide more robust resilience in the Democratic Services team.
- 4.15 Currently, the resources allocated to support the work of the scrutiny function are as follows:
- Overview and Scrutiny Board - 1 FTE Democratic Services Officer
 - Adult Social Care and Services Scrutiny Panel - 0.5 FTE Democratic Services Officer
 - Children and Young People’s Scrutiny Panel - 1 FTE Democratic Services Officer
 - Environment Scrutiny Panel - 0.5 FTE Democratic Services Officer
 - Health Scrutiny Panel - 1 FTE Democratic Services Officer
 - Regeneration Scrutiny Panel - 1 FTE Democratic Services Officer

Remuneration of Chairs and Vice-Chairs

- 4.16 The current remuneration for the Chairs and Vice-Chairs is as follows:

Overview and Scrutiny Board

Chair - £11,190

Vice-Chair - £0

Adult Social Care and Services Scrutiny Panel

Chair - £5,595

Vice-Chair - £0

Children and Young People’s Scrutiny Panel

Chair - £5,595

Vice-Chair - £0

Environment Scrutiny Panel

Chair - £5,595

Vice-Chair - £0

Health Scrutiny Panel

Chair - £5,595

Vice-Chair - £0

Regeneration Scrutiny Panel

Chair - £5,595

Vice-Chair - £0

4.17 The above remuneration arrangements currently cost the Council **£39,165** per year.

Membership

4.18 The membership for the Overview and Scrutiny Board and the Scrutiny Panels is as follows:

- Overview and Scrutiny Board - 13 seats
- Adult Social Care and Services Scrutiny Panel - 9 seats (currently 2 vacancies)
- Children and Young People’s Scrutiny Panel - 9 seats
- Environment Scrutiny Panel - 9 seats
- Health Scrutiny Panel - 9 seats (currently 1 vacancy)
- Regeneration Scrutiny Panel - 9 seats

Work Programming

4.19 As part of the process for establishing the work programme, support officers gather information/views from a number of sources.

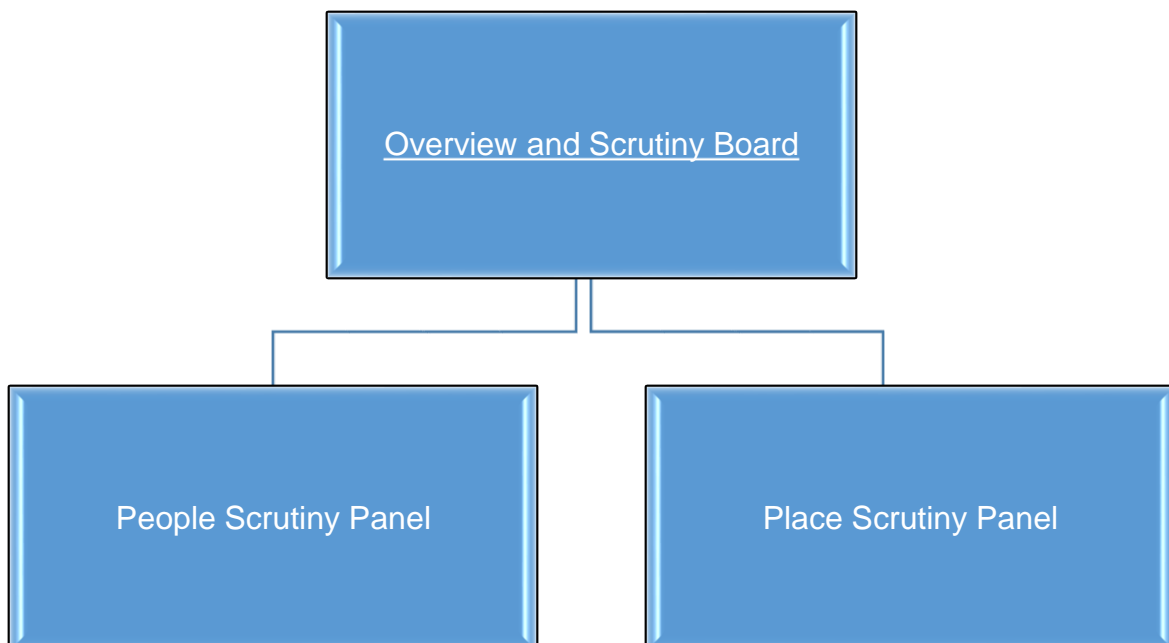
4.20 At the start of every municipal year, each of the five Scrutiny Panels discusses the topics that they would like to review during the coming year.

4.21 Each of the Scrutiny Panels identify two topics to include in their work programmes. Once agreed, those topics are submitted to the Overview and Scrutiny Board for approval.

Proposed New Structure and Model

Scrutiny Structure

4.22 The proposed structure below is recommended for implementation:



- 4.23 It is proposed that the Overview and Scrutiny Board and the two Scrutiny Panels meet on a monthly basis with a recess in August.
- 4.24 It is recommended that both the People Scrutiny Panel and the Place Scrutiny Panel primarily operate by way of a “single issue” committee meeting, which plans to provide the opportunity to call a range of witnesses, to hear from the public and to take and consider a wider range of evidence, with this all happening in the traditional environment of a formal scrutiny committee meeting. The business scheduled to be considered at “single issue” committee meetings will be determined by an annual work programme managed by the Overview and Scrutiny Board.
- 4.25 The Overview and Scrutiny Board will continue to be the overarching body and will scrutinise and hold ongoing discussions on performance, commercial and finance matters which crop up in-year.
- 4.26 The two Scrutiny Panels will provide a focus on the following directorates:

People Scrutiny Panel (includes matters relating to the planning, provision and operation of health services as provided for by the Health and Social Care Act 2012)

- Adult Social Care and Health Integration
- Children’s Services

Place Scrutiny Panel (includes the relevant statutory updates)

- Environment and Commercial Services
- Regeneration

Resources

- 4.27 The number of Democratic Services Officers will remain the same and both will share responsibility for their panel’s working.
- 4.28 The resources allocated to support the work of the proposed structure will be as follows:
- Overview and Scrutiny Board - 2 FTE Democratic Services Officers (*0.5 FTE of this allocation is currently vacant*)
 - People Scrutiny Panel - 2 FTE Democratic Services Officers
 - Place Scrutiny Panel - 2 FTE Democratic Services Officers

Remuneration of Chairs and Vice-Chairs

- 4.29 Given the broader remits of the proposed Panels, and to enable them to be more reactive to emerging issues, it is anticipated that task and finish groups will be required to ensure review momentum. Where this is necessary it may be prudent for the relevant Vice Chair to lead such groups to maintain review focus.
- 4.30 Panel Vice Chairs will continue to have responsibilities of leading their Panels and reporting to OSB in their Chair’s absence. As such, consideration may need to be given to remunerating Panel Vice Chairs.

- 4.31 The levels of remuneration would be assessed by Middlesbrough's Independent Remuneration Panel and any recommendations considered by full Council.
- 4.32 Any consideration of remuneration should be viewed through the lens of the Council's financial position and its transformation journey. OSB can also submit representations to the Independent Remuneration Panel to this end.

Membership

- 4.33 The proposed membership for the Overview and Scrutiny Board and the Scrutiny Panels is as follows:

Overview and Scrutiny Board - 15 seats
People Scrutiny Panel - 13 seats
Place Scrutiny Panel - 13 seats

Work Programming

- 4.34 At its meetings, the Overview and Scrutiny Board receives key information on the Executive Forward Work Programme and updates from Executive Members. It is therefore proposed that, given the reduction in Scrutiny Panels, one annual work programme is considered, discussed, agreed and managed by the Overview and Scrutiny Board.

Development

- 4.35 As one of the objectives is to improve the quality of work undertaken by scrutiny panels, enhancing the outcomes, there is an expectation that Scrutiny Members will undertake relevant training when offered.
- 4.36 This would include a training offer that ensures Members have the requisite skills and support needed to deliver an effective scrutiny function. As well as training provided as part of the annual Member Development Programme, scrutiny training and development will be built into the day-to-day workings of OSB and the new panels.
- 4.37 It is envisaged that additional training should be met from existing resources, however if there is a requirement for further support than this can be explored.

Benefits of the New Structure and Model

Structure

- 4.38 It is envisaged that adoption of the new scrutiny structure will result in the following benefits for the Local Authority:
- The new structure aims to increase Member, officer and stakeholder levels of support for scrutiny, and engagement, by reducing the number of meetings.
 - The proposed structure will make best use of the total resources available and, by reconfiguring the available staffing resource to support fewer Scrutiny Panels, will create and sustain an effective scrutiny function and provide future resilience.

- The new structure will transform scrutiny to operate by way of a “single issue” committee meeting, which would provide the opportunity to call a range of witnesses, to hear from the public and to take and consider a wider range of evidence, with this all happening in the traditional environment of a formal scrutiny committee meeting. These meetings will enable the triangulation of evidence from different sources to ensure scrutiny receives a robust and comprehensive picture on which to base their recommendations.

Work Programming

4.39 It is envisaged that providing the Overview and Scrutiny Board with responsibility for one annual work programme will result in the following benefits for the Local Authority:

- It will enable the Board to lay the foundations for targeted, incisive and timely work on issues of local importance, where scrutiny can add value.
- It will ensure the development of an effective and co-ordinated work programme, which avoids duplication and makes best use of the total resources available.
- The Overview and Scrutiny Board will have continuous oversight of the work programme and can actively influence, prioritise and determine the urgency/importance of topics by ensuring there is flexibility to account for some shifts in priority and topic over the course of the year.
- The Overview and Scrutiny Board can facilitate an increased focus on pre-decision scrutiny - where a local authority’s overview and scrutiny function looks at a planned decision before it is made by the executive. Looking at decisions before they are made provides an important means to influence those decisions, and to improve them. It gives scrutineers an opportunity to challenge assumptions that may have been made as the decision was developed; it also gives them the chance to consider how decision-makers have considered what risks might arise from the implementation of the decision, and how those risks might be mitigated. There are several tangible benefits to this form of scrutiny, which have been identified by the CfGS in the Good Scrutiny Guide (see paragraph 3.3.2.4).

Conclusion

4.40 The CfGS’s Good Scrutiny Guide states:

“There are many different models for committee structures. No one is “best”, and trying to compare the committee structures of different authorities in the hope that transposing those models to your own set of circumstances will, on its own, lead to failure.”

4.41 More than anything else, the CfGS’s work has demonstrated that there is no “one size fits all” to scrutiny improvement.

4.42 Action is required to address the following areas:

- Given competing priorities and staffing levels, the current scrutiny structure is not sustainable and the quality of output (i.e. scrutiny reviews) is generally seen as lacking impact. Therefore, there is a need to increase capacity and resilience to enable officers to effectively support the scrutiny function.
- On occasion, the current work programming approach to scrutiny can end up wasting time and resources on issues where the impact of any work done is likely to be minimal.
- The current process lacks focus on pre-decision scrutiny, which offers tangible benefits.

- Given the current meeting cycle and the multiple work programmes in existence, there is a risk of imposing too great a burden on reporting officers.

4.43 By consulting the CfGS Good Scrutiny Guide and relevant statutory guidance, Middlesbrough Council will benefit from the following:

- The new structure will make better use of available resources and will increase officer and stakeholder levels of support and engagement by reducing the number of meetings.
- The increased focus on pre-decision scrutiny will challenge assumptions, make evidence-gathering more robust and assist in ensuring that the Local Authority decisions are evidence-based.
- The productivity of scrutiny will increase by holding “single issue” committee meetings, which will facilitate roundtable discussions with key stakeholders and enable the triangulation of evidence from different sources.
- The Overview and Scrutiny Board’s management of the work programme will provide continuous oversight and enable the Board to actively influence, prioritise and determine the urgency/importance of topics.

4.44 It is recommended that the proposed structure is implemented for the 2024/25 municipal year and that in April 2025 an evaluation is undertaken of the arrangements to evidence the impact of the new structure and model, identify tangible results, diagnose any problems and prescribe any solutions.

5. Other potential alternative(s) and why these have not been recommended

5.1 The other option considered in brief was follows:

Do nothing/maintain the current model - The number of Scrutiny Panels means that there is some overlap between them, as a result of which the topics chosen are too wide, not focussed and do not always meet the criteria of strategic or policy development. It is also increasingly difficult to effectively support the current number of Scrutiny Panels due to available resources.

6. Impact(s) of the recommended decision(s)

6.1 *Financial (including procurement and Social Value)*

Under the current structure the total annual remuneration to scrutiny panel chairs is £39,165.

In respect of the remuneration for any proposed new panels, due to the council’s financial constraints the total allowances paid cannot exceed the above amount.

Should OSB recommend Panel Vice Chairs be remunerated, the amounts would be considered by Middlesbrough’s Independent Panel on Members Remuneration as part of their deliberations.

In terms of investment in enhancing the Scrutiny Process, such as additional training, this will be identified as growth initially with a view to build this into the base budget going forward.

6.2 *Legal*

The recommended scrutiny model is inclusive of the statutory Scrutiny Panels therefore there are no legal implications.

6.1 Risk

The suggested remodelling of the Scrutiny Panels will ensure that communities are at the heart of what we do and that we continue to deliver value for money and enhance the reputation of Middlesbrough.

6.2 Human Rights, Public Sector Equality Duty and Community Cohesion

There are no issues relating to Human Rights, Public Sector Equality Duty and Community Cohesion.

6.3 Climate Change / Environmental

There are no issues relating to Climate Change or the Environment.

6.6 Children and Young People Cared for by the Authority and Care Leavers

There are no issues relating to Children and Young People Cared for by the Authority and Care Leavers.

6.7 Data Protection

There are no Data Protection issues.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Once the model is approved by Overview and Scrutiny Board, the new panels will be constituted by Council at the Annual Meeting 2024.	Ann-Marie Wilson	22 May 2024
A full evaluation will be undertaken to review the scrutiny arrangements to evidence the impact of the new structure and model, identify tangible results, diagnose any problems and prescribe any solutions	Ann-Marie Wilson	30 April 2025

Appendices

None.

Background papers

Body	Report title	Date
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Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities & Local Government	Overview and scrutiny: statutory guidance for councils and combined authorities	May 2019
Centre for Governance and Scrutiny (CfGS)	Good Scrutiny Guide	June 2019

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