

## Report to Sheffield City Region Overview and Scrutiny Committee

<b>Date of Meeting:</b>	18 July 2019
<b>Subject:</b>	MHCLG Statutory Guidance on Overview and Scrutiny in Combined and Local Authorities
<b>Purpose of the Report:</b>	To ensure OSC Members are aware of the MHCLG Statutory Guidance and the potential changes required to comply with the requirements.
<b>The Scrutiny Committee is being asked to:</b>	Consider the attached statutory guidance on overview and scrutiny in local and combined authorities, reflect on the approach to scrutiny at Sheffield City Region and recommend changes to ensure that the OSC operates in accordance with the published guidance.
<b>Category of Report:</b> Open	
Under the Freedom of Information Act and Schedule 12A of the Local Government Act 1972, this paper and any appendices will be made available under the Combined Authority Publication Scheme.	

### 1. Introduction/Context

- 1.1 On 7 May 2019 the Ministry of Housing, Communities and Local Government published statutory guidance on overview and scrutiny in local and combined authorities. The guidance seeks to ensure that local and combined authorities are aware of the purpose of overview and scrutiny, what good scrutiny looks like and how to conduct scrutiny in the most effective way to contribute positively to decision-making.
- 1.2 The guidance urges all authorities to cast a critical eye on their existing arrangements to ensure that the principles of effective scrutiny are embedded in practice.
- 1.3 MHCLG has updated the guidance for Overview and Scrutiny Committees (OSC) in response to a House of Commons select committee into the effectiveness of scrutiny in Local and Combined Authorities.
- 1.4 Local and Combined Authorities must have regard to the guidance when exercising their scrutiny functions. The guidance has been issued under section 9Q of the Local Government Act 2000 and under paragraph 2(9) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009.
- 1.5 'Must have regard to' within the context of the statutory guidance does not mean that the statutory guidance must be followed in every detail but that it should be followed unless there is a good reason not to do so in particular circumstances.
- 1.6 Overview and Scrutiny Committees (OSC) has statutory powers to scrutinise the decisions a combined authority is planning to take, those it plans to implement, and those already taken and/or implemented and make recommendations to enable improvements to be made to

policies and how they are implemented. OSCs can also play a valuable role in developing policy.

Effective scrutiny should:

- Provide constructive 'critical friend' challenge;
- Amplify the voices and concerns of the public;
- Be led by independent people who take responsibility for their role; and
- Drive improvement in public services.

The guidance covers the following principal areas:

1. Culture
2. Resourcing
3. Selecting committee members
4. Power to access information
5. Planning work
6. Evidence sessions

## 1.7 Summary of changes and implications

The statutory guidance proposes several principles to help develop a supportive culture in which effective scrutiny can thrive. They include:

- Recognising scrutiny's legal and democratic legitimacy.
- Ensuring early and regular engagement between the executive and scrutiny.
- The need for authorities to adopt a position of sharing any information asked for by their scrutiny committee, and if information cannot be shared in public they should consider sharing it in a closed session.
- Managing disagreement, particularly over party politically contentious issues, for example via an executive-scrutiny protocol.
- Providing the necessary support, including access to resources and to senior officers where appropriate.
- Ensuring impartial advice from officers.
- Communicating scrutiny's role and purpose to the wider authority and to the public.
- Maintaining the interest of full authority in the work of the scrutiny committee: ensuring that there is a link between full authority proceedings and overview and scrutiny.
- Ensuring that the scrutiny committee acts in the capacity of a constructive 'critical friend' with a vital role of amplifying the voices and concerns of the public when authorities take important decisions.
- Ensuring scrutiny members are supported in having an independent mindset.
- Ensuring that the selection of members and chairs of overview and scrutiny committees should be selected based on their "experience, expertise, interests, ability to act impartially, ability to work as part of a group, and capacity to serve".

- 1.8 The Scrutiny Officer has drafted a base line assessment of current scrutiny practices and processes which will be refined in conjunction with the SCR Monitoring Officer. Dependent upon the outcome of the base line assessment exercise, the next steps could entail a review of the current Overview and Scrutiny procedures and practices, possibly through a working group, to ensure compliance with the guidance.

## 2. Matters for Consideration

### a. Financial

None.

### b. Legal

The guidance has been issued under section 9Q of the Local Government Act 2000 and under paragraph 2(9) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009, which requires authorities to have regard to.

**c. Risk Management**

If the council are found to have failed to comply with the statutory guidance, it would have a negative impact on the reputation of SCR's scrutiny function and the reputation of the SCR.

**d. Environmental**

None.

**e. Equality Impact Assessment**

None.

**f. Performance Management/Measuring Outcomes**

The action plan will be critically assessed by the Scrutiny Officer; timescales and RAG status will be monitored throughout the implementation of the action plan.

Further consideration needs to be given as to whether independent assessment of the implementation is required.

**3. Consideration of alternative approaches**

The Scrutiny Officer attended a symposium facilitated by the Centre for Public Scrutiny (CfPS) on 20 June 2019 on the subject of the statutory guidance.

The CfPS stated that the approach and process which has already been instigated by the Scrutiny Officer is best practice.

**4. Issues the Overview and Scrutiny Committee may wish to consider ...**

OSC are asked to put forward suggestions to improve the current SCR processes for consideration.

**5. Recommendations**

OSC are asked to consider the attached Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities, reflect on the approach to scrutiny at Sheffield City Region and recommend changes to ensure that the OSC operates in accordance with the published guidance.

**6. Appendices/Annexes**

15i Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities.

**The following section is a legal requirement**

<b>Report Author:</b>	Christine Marriott
<b>Job Title:</b>	Scrutiny Officer
<b>Officer responsible:</b>	Stephen Batey, Head of Mayoral Office
<b>Organisation:</b>	Sheffield City Region
<b>Email:</b>	stephen.batey@sheffieldcityregion.org.uk
<b>Telephone:</b>	0114 220 3400
<b>Background papers used in the preparation of this report are available for inspection at:</b> 11 Broad Street West, Sheffield, S1 2BQ	
<b>Other sources and references:</b> <ul style="list-style-type: none"><li>MHCLG Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities</li></ul>	