



East Hertfordshire District Council
Scrutiny Improvement Review



Report

November 2020

Review of Scrutiny

Introduction

East Herts District Council (EHDC) believes that the essential role of scrutiny is to help to shape policy, actively support good decision-making and hold the executive to account. To do this effectively the Council recognises that its scrutiny function and Members need to develop a clear and shared understanding of the role, purpose and objectives of scrutiny, and to engage constructively in its work.

Members are clear that scrutiny needs to be strong on prioritisation, develop strategic work programming and engage in evidence-based, objective enquiry. It must have a measurable impact on policy, service delivery and executive decision making.

The Council endeavours to be open, inclusive and supportive of cross-party working wherever possible. Scrutiny has been consistently supported and resourced by the authority but has not been evaluated externally for some time. There is nothing to suggest significant problems or serious flaws in current ways of working. Like many authorities, EHDC has taken a conscious decision to reflect and review its scrutiny process in order to build, where possible, on existing good practice.

East Herts Council has set itself some bold and exciting objectives. Its Corporate Plans are led by a strong environmental sustainability strategy that aims to be a carbon neutral Council within the next decade and to encourage a district-wide endeavour to reduce overall waste and address climate change issues. There is also an intention to support its residents' quality of living through an investment plan in several high-profile projects which will improve their wellbeing. Capitalising on its proximity to London the Council also intends to support the growth and success of microbusinesses operating in the district, with a commitment to support and listen to the needs of businesses, provide more flexible working space and support the application of new technology.

The Council plan will present considerable challenges in its implementation and delivery. It will equally place a significant responsibility upon its scrutiny function to ensure that strategy, plans and targets, together with key-decisions are robustly and objectively scrutinised.

The Centre for Governance & Scrutiny (CfGS) was invited to undertake a Scrutiny Improvement Review and identified some principal areas of focus for evaluation. These have been considered using CfGS's Scrutiny Improvement Review (SIR) method.

The CfGS SIR method aligns with both latest statutory guidance and best practice experience accumulated by CfGS over many years. This review also takes into account the latest government (MHCLG) guidance on Overview and Scrutiny in Local Authorities (May 2019) and the latest Good Scrutiny Guide (published by the Centre for Governance & Scrutiny – July 2019).

The Centre for Governance & Scrutiny

CfGS is the leading national body promoting and supporting excellence in governance and scrutiny. Its work has a strong track record of influencing policy and practice nationally and locally. CfGS is respected and trusted across the public sector to provide independent and impartial advice.

CfGS is an independent national charity founded by the Local Government Association (LGA), Local Government Information Unit (LGIU) and Chartered Institute of Public Finance Accountants (CIPFA). Its governance board is chaired by Lord Bob Kerslake.

Note on Covid-19

This review was planned and delivered during the Coronavirus pandemic and the subsequent restrictions on meetings and movement. Therefore, all meetings and observations were conducted via video conferencing and online access. Whilst this format places some limitations, in our view and experience this review was comprehensive and as extensive as a conventional physical format.

Review outline

To conduct a review of the Council's scrutiny arrangements.

The Council wishes to explore what it can do to further strengthen the quality of its scrutiny arrangements and develop them in light of challenges and opportunities ahead.

Scope

- **Culture.** The mindset and mentality underpinning the operation of the overview and scrutiny process. This will involve a focus on the Council's corporate approach to scrutiny.
- **Information.** How information is prepared, shared, accessed and used in the service of the scrutiny function.
- **Impact.** Ways to ensure that scrutiny is effective, that it makes a tangible and positive difference to the effectiveness of the Council, and to local people.

Further to discussion with Officers, the following broad areas of focus were identified, which are explored by way of the Scrutiny Improvement Review method:

- Prioritisation, timeliness and focus of the work programme (informed by a clear, well-articulated role for scrutiny overall).
- The current scrutiny committee structure. Considered on the basis of scrutiny focus, Members' needs and expectations, and whether other structures and formats might be more appropriate for carrying out scrutiny work.

Evidence sourcing

The following elements are used as a framework for further discussion on those issues and areas most important to the Council.

1. Organisational commitment and clarity of purpose
2. Members leading and fostering good relationships
3. Prioritising work and using evidence well
4. Having an impact

These four elements were used to ensure that all key aspects of EHDC's scrutiny activity are evaluated and mapped against the EHDC-specific areas of focus identified above.

Evidence gathering consisted of:

- **Desktop work.** A general check of the Council's constitution and rules of procedure insofar as they relate to scrutiny, recent work plans, scrutiny scopes and review reports. This will provide an evidence base for the rest of the work;
- **Interviews.** Including the Leader of the Council, leading Members in scrutiny (Chairs, Vice Chair, Opposition Group Leader, Executive Members, other scrutiny Members, Senior Corporate Officers, Statutory Scrutiny Officer, and democratic services Officers.
- **Observation.** The Scrutiny and Overview Committee.

Summary of findings

1. Overall assessment:

- 1.1 Overall the Council has a strong ongoing commitment to scrutiny in terms of the level of activity undertaken, and time and resource dedicated across the organisation. Scrutiny is respected and valued by the Council. Its political leaders and Executive Members are also very supportive. Scrutiny therefore has a relatively high level of esteem.
- 1.2 There is a clear realisation and commitment from Members and Officers that scrutiny could be more effective and productive. Everyone interviewed welcomed the opportunity to make changes and improvements. Senior Members, Political Leaders, Heads of Service and the Chief Executive also support the need for change - to enable scrutiny to improve.
- 1.3 From its current base, in terms of Member engagement, resources, Council support and ambition, there is a strong platform upon which scrutiny could successfully develop.
- 1.4 Members expressed an interest in scrutiny but felt that its focus and work was having less impact than they would like and at times lacked sufficient focus on strategic issues. Scrutiny Members overall have an appetite to achieve more.
- 1.5 There are some barriers and practices that may need to be addressed and Member development gaps supported if progress, which is clearly desired by the Council, is to be realised.
- 1.6 Scrutiny does make an effort to be strategic and focus on the areas of importance, although in practice it tends to fall short of this ambition. It can be distracted less important or localised topics than the really important policy and key-decision issues that matter most to residents. Scrutiny can very often become a 'conversation' or an information exchange or become too operational and detailed Council performance focused.
- 1.7 There are missed opportunities for scrutiny to add value and to be an integral part of the Council's corporate plans and overall improvement. This is not for the want of trying, but for scrutiny to be more strategic there needs to be change from both scrutiny Members and the Executive to draw closer together to create a purposeful role and agenda. If the Council wants scrutiny to place more emphasis on shaping, challenging and holding to account, then scrutiny will need the support and early access to information and operate as an integral part of the policy and decision-making activities of the Executive.
- 1.8 Executive Members rarely attend Scrutiny meetings and are therefore not sufficiently held to account and constructively challenged. Executive Members and the Leader expressed support for a more challenging style of accountable scrutiny. This could be readily achieved with a simple change in meeting arrangements, planning and engagement. Meetings would place Executive Members clearly at the centre of the scrutiny exercise. Executive Members would therefore attend to present relevant reports or policy and be prepared to be the main focus of questions, which officer support if technical or detailed information is required to supplement Executive Member responses.

1.9 There is good support from the Scrutiny and Governance Officers in assisting Members in developing work programmes, managing agendas and liaising with Council departments and external partners to generate reports, evidence and information. This is recognised and widely appreciated by Scrutiny Members and senior Officers.

1.10 At the time of this review the Council's Constitution was under revision. We would like to suggest that some attention is given to the respective roles and purpose of the O&S Committee and Audit and Governance Committee as the activities of both suggests some overlap and uncertainty. This is also recognised by some Members.

2. Members, meetings and agendas:

- 2.1 Members engage in scrutiny and understand that it plays an important role. However, there is inconsistency when Members describe its role and purpose, and Members can lose sight of key objectives in holding decision-makers to account and shaping policy.
- 2.2 The Council has a significant (Conservative) political majority which through proportionality requirements is also reflected in scrutiny committee places. Many Members of the Opposition group are relatively new and are understandably growing their learning and developing their scrutiny skills.
- 2.3 Having a large political majority can present a greater challenge to scrutiny in maintaining and exercising objective, searching and challenging scrutiny, and not lack effective public challenge and testing.
- 2.4 Overall, there is good cross-party working and little evidence of political management activity. Generally, Scrutiny Committee Members generally get along and co-operate with each other. Member behaviour is cordial and respectful. The independence of scrutiny and of political groups is maintained and respected
- 2.5 Some Members often work hard to ask useful and enquiring questions, but scrutiny meetings usually tend to favour detail over strategy and may overlook the bigger picture. Some Members prefer to ask information-gathering questions, rather than exploring and challenging ones. Greater emphasis could be given to scrutiny improving and shaping policies and decisions through enquiry and constructive challenge.
- 2.6 The Council operates a single Scrutiny and Overview Committee. This was observed on 16th June 2020. Other agendas and minutes from previous meetings have also been reviewed.
- 2.7 All Councils are getting used to the new online meeting format and there is plenty of shared understanding on emerging good practice.
- 2.8 This meeting was the first Scrutiny Committee held as an online virtual meeting committee. It was skilfully chaired, and Members engaged well in this new format. Perhaps understandably, given that it was the first, there was a long agenda with several important topics. We note that previous meetings had shorter agendas. The meeting lasted almost three hours which might be considered too long for an online meeting.
- 2.9 The Chair draws conclusions and consensus together well and there are some examples of where scrutiny has successfully used its influence. The committee could be even more productive by more consistently finding strong recommendations or outcomes from their enquiries to present to Executive as improvement or challenge proposals.
- 2.10 Members may want to consider agenda management; particularly as additional space may need to be included for Covid-19 related items, which Members may wish to afford higher priority. Having shorter, more focus agendas would give greater scope for more in-depth scrutiny. Inevitably this would also entail further prioritising of items considered by scrutiny and perhaps leaving those 'for report' or similar administrative type items which provide little scope for scrutiny to add any real value

- 2.11 Scrutiny needs to agree what it is trying to achieve, or there is a risk that its time is not productively spent. Our observations suggest that scrutiny could be clearer as it set out its objectives on specific agenda items, agreeing what it wants to discover, test, check, reveal or build on. This would assist the committee to construct key lines of enquiry and questioning strategies and develop outcomes that may add more value. It would also ensure that it requests appropriate information and officer advice.
- 2.12 O&S holds a pre-agenda meeting with support Officers but does not hold a separate pre-meeting to plan and organise the session with all Members. This could provide a useful opportunity to set and share the approach, questions and overall 'game-plan' for the meeting. The use of video conferencing (Teams/Zoom) etc may make pre-meetings more convenient to arrange in the future. This may not be necessary for every meeting but it could help when large complex matters are on the agenda and the committee needs to prepare its approach.
- 2.13 The Council's finance and Corporate Plan are considered by the Audit and Governance Committee. In the past there has been a joint meeting held in November to allow Members of both O&S and A&G committees to input into the budget-building process.
- 2.14 Detailed consideration by Members of the Council's Corporate Plan, Budget and MTFP as the key suite of plans which drive the Council is a vital task Scrutiny task. Because of its critical nature, we would suggest that the effectiveness of scrutiny in this area be regularly reviewed.
- 2.15 Meetings can often be driven by Officer reports and presentations. This can become repetitive and over structured, which may leave Members with less scope to contribute or to add any value. It may also lead to lower Member enthusiasm for scrutiny if they feel unable to tackle meaningful issues.
- 2.16 Referral requests from the public are put to the Chair of the Overview and Scrutiny Committee for their consideration. Although currently this is not well used, we would like to commend it as good practice and would encourage it to be promoted as good public engagement.

3. Structure and work programming:

- 3.1 As a single Overview and Scrutiny Committee there is potentially a substantial volume of issues that scrutiny could focus on. However, there is a feeling among some that O&S does not have sufficient work to do, which is of real importance and value to the Council.

- Agendas and work planning can be report driven and involve information exchanges with Officers.
- 3.2 A consolidated work programme has been developed so that both O&S and A&G can have sight of issues are being reviewed at any one time. A Co-ordinated Work Programme meeting with the Leader, Deputy, C and VC of both O&S and A&G has been convened which meets quarterly to review the forward plan and how decision to be taken in the next three months by the Executive can provide a foundation for O&S to review those actions. We consider this to be good practice and should lead to productive work scheduling for the scrutiny. However, we also observed that currently the O&S work plan looks concentrated operationally and focused on monitoring rather than looking forward and contributing to future strategy, plans and decision. There is a need to find more weighty subjects for scrutiny to get involved in.
- 3.3 We could not ascertain if a structured process or methodology is currently used to select, analyse and prioritise items for the work programme, which could really help to identify how scrutiny aims and focuses on impact and value. There are several tools available to assist this. *CfGS has publish a new publication for councils on this subject.*
<https://www.cfgs.org.uk/?publication=planning-work-delivering-impact>
- 3.4 The Scrutiny Committee may still be developing and it may well intend to become more focused on strategic matters, but these will need to be identified and brought before it. This is a key task for Members, with Officer advice. To support this O&S will need to have a good overview of and early access to the Executive forward plan. This early visibility would mean that Scrutiny is provided with a reasonable timeframe for effective pre-decision scrutiny and value adding activity.
- 3.5 The committee uses a lot of its energy examining operational performance and detail. The big, high impact areas embedded in the Council's corporate plan and the Executive's forward plan are therefore less integrated with the work programme.
- 3.6 As the scrutiny of the Council budget and medium-term financial plan are considered by the Audit and Governance Committee. We are uncertain how much actual scrutiny is focused upon the budget and MTFP process and whether scrutiny intervention to test and challenge budget assumptions, options, focus and viability is provided early and regularly within the process.
- 3.7 Task and finish (T&F) groups do not currently feature strongly in scrutiny. There appears to be support from Members to use this option to focus on helping to shape policy or exploring issues of community concern where the Council or its partners may need to respond, but appropriate topics will need to emerge. Options for this type of single-subject project scrutiny could include; enquiry days, community action scrutiny, single agenda item scrutiny meeting, or time-limited sub-groups.
- 3.8 These T&F assignments or similar focused 'project scrutiny' can if used well, build more versatility and agility for scrutiny. It is essential however, that these are limited in number and have a detailed scope and timeframe (max 8 weeks) and have a clear objective which delivers a useful product. To ensure appropriate Officer support, it is suggested that only one T&F operates at a time. It is also advisable that the relevant Executive Member is consulted, as collaboration may assist the project to have greater significance

and contribution.

- 3.9 Greater consideration and planning may be necessary to make information and evidence gathering for scrutiny clear and relevant and allow Officers to appreciate the value and impact of scrutiny's role.

4. Support and resources:

- 4.1 There is a small team of Officers who support scrutiny. They are proactively engaged in advising Chairs and Members on their roles and in developing scrutiny activity. Members told us that they do feel in control of their own work programmes and agendas.
- 4.2 It is possible that Members could play a greater role in how scrutiny operates and is resourced. Members could be more central in the preparing of programmes, projects and agendas, or researching issues and helping each other to be well-prepared and informed. It might be worth exploring how simple currently available technology such as closed social media groups, conference and video calling, and the use of shared file systems could give Members more capacity to share, discuss and plan their scrutiny activities.
- 4.3 The Council's website has useful content on scrutiny, which is relatively easy to access and has helpful guidance. The site is up-to-date and offers a good public oversight of scrutiny activity.

5. Relationships, behaviours and culture:

- 5.1 The role of scrutiny in 'holding the Executive to account' is not used consistently, although there are some signs that this is recognised, and efforts have been made to improve. However, our observation and interview evidence would suggest that political accountability could be made stronger and a more constant feature in the committee meeting. Often there seems to be a preference to challenge and hold Officers to account. The principle of scrutiny's duty to hold the Leader and Executive Members to account, could be refreshed and strengthened. The Council may also choose to adopt Executive accountability sessions to allow scrutiny to examine the work programme and progress of individual Executive Members.
- 5.2 We note that historically Executive Members are seldom invited to scrutiny to participate, lead reports and be accountable. Scrutiny Members are themselves uncertain why this is and it may be something that has simply become an accepted norm. However, there is a need and expectation that political decision-makers are visible and publicly accountable through scrutiny.
- 5.3 The Leader and Executive are very supportive of scrutiny and recognise its value. They also support Executive having a more central role in being held to account, supported by their Officers for technical advice. The experience from elsewhere is that when Executive Members attend and are the focus of the questioning, a more strategic exchange takes place and better recommendations, or advice is achieved.
- 5.4 Relationships between political groups are generally co-operative in the context of scrutiny. Clearly there are differences in policy and approach, but all Members appear to work towards a similar goal in committee.

6. Development, skills gaps:

- 6.1 EHDC is fortunate to have a strong pool of talent and experience among its Members. Many Councillors have relevant backgrounds and experience who bring a very useful set of skills to all areas of the Council.
- 6.2 Training and development were raised by some Members, who were clearly aware of the gaps in their knowledge and understanding. There is also a fairly high number of new Councillors with limited experience of local government scrutiny who would benefit from further training and development.
- 6.3 We were advised that in the past the Council had a regular training and development programme for Members, including Scrutiny, and this would be welcomed in the future as skills and experience essentially need to grow.

7. Contribution, performance and value-adding:

- 7.1 Scrutiny impact is a key issue. The volume of scrutiny activity undertaken does not necessarily deliver quality outcomes.
- 7.2 While scrutiny has made progress, and there are examples of good practice and positive results, it could have even greater impact and its 'product' make a significant difference. This ambition and desire should be shared as a Council-wide issue and be addressed by ensuring that scrutiny has the support, parity, access to timely information and early engagement to allow it to operate in a more strategic way.
- 7.3 Scrutiny and Executive could collaborate further. Scrutiny needs to provide a regular source of quality recommendations to Executive, and Executive needs to provide clear feedback so that scrutiny's effectiveness and contribution can be tracked.
- 7.4 Scrutiny at EHDC can overburden itself with too much activity and full agendas focused on reports. Doing less, but doing it really well, is worth considering. Asking the question; 'what value can scrutiny add to this' before agreeing to spend time on it is also a useful test. Scrutiny's output must aim to shape and improve policy and decision-making as well as transparently testing the suitability of decisions being considered by Executive in the future.
- 7.5 Further consideration of pre-scrutiny activity would be useful as this has a crucial role in shaping, improving and influencing future Council plans. Pre-scrutiny of executive decisions, through selective scrutiny of Executive forward programmes and the Council plan through its selected work programme could add significant impact. This would require a change in practice by enabling earlier access to information.
- 7.6 From our observations and evidence gathering the committee may benefit from ensuring greater clarity about what it is trying to achieve or what impact they are aiming to make. Similarly, the process for deciding what is important to scrutinise and what is not, is sometimes unclear. The committee cannot scrutinise everything, nor is it necessary to do so, therefore establishing realistic priorities based on clear objectives is essential. It is therefore necessary to 'let go' of too much operational scrutiny and focus most the committee's resource on strategy and policy.

8. Recommendations:

These recommendations are for discussion. They are presented for consideration as potential areas of improvement, with further assistance and planning.

- 8.1 **Work programme prioritisation and focus.** Developing a clear methodology focused on EHDC's key corporate or community priorities should itself be a priority. Items on the work programme should have a clear rationale to justify their inclusion and a clear system for selection. The latest CfGS publication referenced in 3.3 above will offer advice on how this could be achieved.
- 8.2 **Scrutiny and Executive needs to work more collaboratively.** This will achieve stronger pre-decision scrutiny, allow greater influence and contribution to policy shaping and supply more high-quality recommendations. A triangulation meeting held bi-monthly could include Scrutiny Chair and Vice Chair, Executive Member or Leader taken in relevant rotation and Scrutiny Officers plus relevant service area Officers. The purpose of this would be to jointly scope future areas for scrutiny to develop, but without compromising scrutiny's independence and authority.
- 8.3 **Bring Executive public accountability and transparency into more focus at scrutiny committees.** Executive Members or the Leader (if appropriate) should be the main focus of scrutiny questioning and accountability sessions rather than council officers, who should attend to provide additional detail if required by the committee. This would take on a more parliamentary select committee style and approach. This also often leads to more strategic dialogue and constructive challenge between Scrutiny and Executive. Exec
- 8.4 **Explore the respective roles of O&S and Audit and Governance Committee.** There are some aspects of finance which would suggest that there is a scrutiny requirement and some aspects of compliance that fit with A&G. It may help to clarify the role and function of both.
- 8.5 **Reduce the reliance on Officer presentations and Executive reports.** Instead, scrutiny should set its objective for each subject to be considered and material presented or verbally reported by Executive Members, with Officer assistance.
- 8.6 **When public health circumstances allow consider expanding public participation and community involvement.** This will strengthen scrutiny and its external focus. Possibly hold some committee meetings in other parts of the East Herts District.
- 8.7 **Consider the use of task and finish and other 'set piece' scrutiny techniques as outlined above.** Focused events or enquiry days can highlight major areas of policy development or community concern.
- 8.8 **Adopt a Member and Officer scrutiny development and skills programme.** This will support greater understanding of the role of scrutiny and improve its effectiveness.

We recommend that a Member workshop is held to consider the findings of this review and to engage in ideas for change and improvement.

Acknowledgments and thank you

The Centre for Governance & Scrutiny (CfGS) was commissioned by East Herts District Council (EHDC) to advise and support an internal review on the effectiveness and impact of their current approach to overview and scrutiny.

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