



Alan Robinson
Deputy Chief Executive
South Kesteven District Council

August 2021

Dear Alan

Short Scrutiny Improvement Review – CfGS consultancy support

I am writing to thank you for inviting the Centre for Governance and Scrutiny (CfGS) to carry out an evaluation of the Council's scrutiny function. This letter provides feedback on our review findings and offers suggestions on how the Council could develop its scrutiny process.

As part of this feedback stage, we would like to facilitate a workshop with Members and Officers to reflect on this review and to discuss options for improvement. We also understand that this report and findings will form part of the governance and constitution review currently underway.

Background

South Kesteven District Council (SKDC) commissioned CfGS to advise and support its Members and officers in the review of the Council's scrutiny function to ensure that it is effective in providing a quality contribution in accountability, policy and decision making, delivery of Council plans and overall improvement.

The Council has not undertaken a comprehensive review of its scrutiny arrangements for some time and wanted to check and test that scrutiny arrangements meet the Council's high expectations of democratic accountability and that decision-making and overview and scrutiny is transparent, effective and impactful.

Its aspiration is to make its ongoing approach to scrutiny fresh, innovative and bold and that its overview and scrutiny structure creates the right framework to maximise its impact within its governance arrangements.

CfGS undertook a review of the current scrutiny arrangements, involving two days of evidence gathering onsite through conversations with Members and Officers on 19th and 20th July 2021. In addition, we observed a scrutiny meeting and reviewed key documents.

CfGS met with elected Members and officers, including the Council Leader and Cabinet Members, Group Leaders, Scrutiny Chairs, Members of the Scrutiny Panels, Members of the Council's senior leadership team as well, as member support and governance officers.



The review was conducted by:

- Jacqui McKinlay – Chief Executive, Centre for Governance and Scrutiny
- Ian Parry – Head of Consultancy, Centre for Governance and Scrutiny

The findings and recommendations presented in this letter are intended to advise SKDC in strengthening the quality of scrutiny activities, increasing the impact of its outputs, and through its Members, to develop a strong and shared understanding of the role and capability of the scrutiny function.

Summary of findings

1. Scrutiny has the conditions for success

The conditions for successful scrutiny are present at SKDC; there is a clear commitment to scrutiny and the value that it can bring from the political and officer leadership, there is support from senior officers and the governance team, Cabinet recognises the benefits scrutiny can bring and Scrutiny Members dedicate time to the role and want to improve outcomes.

Scrutiny Members could reference examples where scrutiny had made a positive impact and enjoyed taking part in task groups. Members referenced the climate change working group as a recent example of good cross-party working and positive outcomes.

The majority of those interviewed believed that improvements are needed to make scrutiny more effective and give greater value.

There have been significant changes at SKDC including new political and officer leadership, the political composition, reviews of service provision including housing and the arts, a governance review, new governance team members and a new corporate plan. This has happened alongside the Council's response to the pandemic and focus on recovery. As a result the Council is clearly in a period of transition as these changes embed.

From a scrutiny perspective, the new plan and leadership commitment to being open to challenge provides an excellent opportunity to add value through its involvement in policy-making and holding to account. Our findings recommendations will assist scrutiny in being more effective in how it works and the contribution it makes.

2. Organisation and Officer support

It is clear that the Council's Chief Executive and corporate management team is committed to supporting scrutiny.

The recent changes at a director level have impacted on the way that scrutiny works, alongside the absence of 'in person' meetings. There has also been significant staff turnover in the democratic services team leading to a gap in support. Members were positive about the support they received from Member Services and were complimentary about the quality and responsiveness of officer support and are looking forward to the new team members starting.



With the senior leadership and democratic services team now in place, there is an excellent opportunity to strengthen productive working relationships, formal and informal, between the Scrutiny Chair, Cabinet Member, Director and democratic services.

3. Clarity on scrutiny's role and responsibilities

Scrutiny's overall role is to hold the Cabinet to account, to carry out policy development, contribute to improved decision-making, and channel the voice of the public.

Generally, Members were able to articulate the purpose and contribution that scrutiny should be making, although there is more that could be done to ensure a consistent understanding of the benefits and value that scrutiny can bring.

In practice however challenge is not as robust as it could be, particularly from Members of the administration, and some Members felt and had evidence to show that scrutiny was not always a safe, politically neutral space, where robust challenge was welcomed and encouraged.

We would recommend:

- **Further reinforcement of the role, purpose and value of scrutiny and there would be value in developing a protocol of working between the Cabinet and Scrutiny to provide clarity of scrutiny's purpose at SKDC. This could be achieved through training or direct engagement with committees.**
- **The planned changes to the way the organisation works provides an opportunity for scrutiny to be involved earlier in policy development and decision-making, as well as holding to account. Scrutiny could add significant value if it focused more on early scrutiny of policy development or on pre-scrutiny of key decisions. To be effective in doing this it needs to operate early in the cycle and to create a positive (but constructively challenging) working relationship with political decision-makers. It also means that scrutiny spends more time looking forward towards the future, rather than in reviewing and monitoring past performance (although some of this is also necessary). This pre-scrutiny work also needs to be reflected in the work programme and agenda planning.**

4. Collaborative approach to scrutiny

Scrutiny is meant to be a forum for the evidence-based discussion of issues affecting local people.

Most agreed with the principle that scrutiny is more effective when each committee works together with politics left at the door (as much as is practicably possible) and an equal voice is given to all.

COVID restrictions have impacted on how committees work together but there was little evidence of committees working together to agree areas of focus, questioning strategies or reviewing their impact post-meeting.

There is also a mixed level of engagement, with Members of the opposition tending to show greater levels of involvement within committee meetings. Effective challenge from all Members of scrutiny and an active opposition are healthy governance behaviours in any democratic body.



There were examples of regular communication and information sharing between the Scrutiny Chair, Cabinet lead and Director, but this could be improved.

We heard that Cabinet Members are engaged and regularly attend meetings, there is however currently no regular scrutiny of the Leader at any of the committees. This was recognised as a gap and the Leader and Scrutiny are keen to rectify this position with a focus on integrated finance, performance and delivery.

There is work to be done to establish parity of esteem between Scrutiny Chairs and Cabinet and create the safe space for effective scrutiny and challenge to happen, and the benefits this will bring to in terms of better decisions.

We would recommend:

- **SKDC develop a Cabinet-Scrutiny protocol to outline and reaffirm roles and responsibilities, dealing with the with the practical workings of scrutiny as well as the cultural dynamics included expected behaviours, access to information, etc.**
- **That a positive opportunity for scrutiny to hold the Leader and Deputy Leader to account forms a regular part of the work programme. The Leader already attends scrutiny as required or invited and has indicated a preference to engage more and be visibly accountable to scrutiny for overall council progress. Therefore, a quarterly Leader/Deputy accountability session could provide an opportunity to hold the Leader/Deputy to account for progress on the delivery of an Integrated Corporate Plan and Budget Report and any other issues scrutiny feels is important.**

5. Scrutiny's focus and work programme

There is a recognition that scrutiny needs to focus more on strategic issues, where it can have influence, and that scrutiny should input into the decision-making process at an earlier stage than it does currently.

With a new corporate plan, there is an opportunity for scrutiny to add value and to be an integral part of the Council's improvement. For the majority of the substantive items on scrutiny agendas there is not a clearly articulated outcome from scrutiny's consideration of the topic. When topics are reviewed the focus tends to be operational rather than strategic or outcome focused.

For scrutiny to be more strategic there needs to be change from both Scrutiny and the Cabinet. If the Council wants more emphasis on shaping policy, challenging and holding to account, then scrutiny will need earlier access to and involvement with the core policy and decision-making activities of Cabinet.

Work programming across the Committees tends to be driven by the Cabinet agenda and there is an opportunity with the new plan to consider how each Committee can contribute to influencing the policy, generating ideas and providing effective oversight and challenge.

We also noted that scrutiny could be more involved in the budget process, and at an earlier stage for any meaningful input. Scrutinising the Council's finances, including the medium-term financial



plan, monitoring financial and operational performance, together with commercial partnerships and other external arrangements does not seem to be sufficiently explored.

We have produced guidance, in partnership with CIPFA, on financial scrutiny¹ setting out scrutiny activity to complement the Council's annual financial cycle. The guide suggests ways to move budget and finance scrutiny beyond set-piece scrutiny 'events' in December and quarterly financial performance scorecards being reported to committee.

We would recommend:

- **An annual process for developing the work programme across all of the scrutiny committees, engaging Members, Officers, partners and the public to prioritise the topics for review. This could involve a member' workshop, where a shortlist of priority topics for the next 12 months are identified according to a selection criteria, discussed on their merit for scrutiny, and voted on.**
- **A review of the current approach to financial scrutiny (across all the committees) and MTFs/ budget scrutiny and the scrutiny of commercial arrangements and to ensure lessons from other council's recent experiences have been applied.**

6. Committee structure

Changing the structure of scrutiny committees is rarely a universal solution to bring about immediate changes, the cultural issues are more important. However, we received feedback from the majority of people that the current structure of five scrutiny committees for a council the size of SKDC is not the most effective use of resources and is creating confusion.

There are too many committees which leads to overlap and take significant resource to support. There is limited evidence that this current approach is adding value or making an impact.

We also noted that the Council's four teckal companies have unclear scrutiny arrangements which could present Members with significant governance challenges to test and reassure their value, risk, performance and benefit. There is no suggestion that the Companies Committee, whose role is to oversee these activities is in any way deficient, but that a scrutiny 'check and balance' may strengthen governance arrangements.

We would recommend:

- **SKDC to consider a new model which either consists of an overarching committee with standing committees reporting to it or two committees, one with an internal and the other an external focus. There is also scope within a revised model to create task and finish groups or other flexible scrutiny capacity.**
- **We can advise that other similar size councils also operate with either a single scrutiny committee or two (internal focus and external focus) committees; These include:**

¹ CfGS & CIPFA (2020) 'Financial scrutiny, practice guide' - https://www.cfgs.org.uk/wp-content/uploads/Financial-scrutiny-practice-guide_proof3.pdf



- **Hertsmere Council (two committees)**
 - **Welwyn & Hatfield Council (one committee + one sub committee)**
 - **Test Valley Council (one committee)**
 - **North West Leicestershire (two committees)**
 - **South Cambridgeshire Council (one committee)**
- Note: Councils also use task & finish groups to add capacity
- **That the governance and scrutiny arrangement for the council's commercial activities, including its teckal companies are reviewed. It is not suggested that Members become involved in operational matters or duplicate the role of the Companies Committee, but that a consistent and effective Member overview and scrutiny arrangement is clarified.**

7. Chairing and meeting preparation

Scrutiny's success is dependent on the right Members, with the right capabilities and attributes, leading and managing the scrutiny function. Current chairs at SKDC have varying levels of confidence in being able to lead and manage the scrutiny function in a neutral timely and effective manner and be confident in managing Cabinet Member involvement.

The lack of opposition Members involved in scrutiny chairing roles was raised as an issue in our evidence gathering. Whilst there is no single right approach to selecting chairs - the emphasis ought to be on selecting chairs based on skill set and capability and providing ongoing training and support. To create confidence that scrutiny is a politically neutral environment, it may be helpful for SKDC to consider a more open approach to chair selection, e.g. by the Committees themselves.

From our observations of committees, there is little evidence of co-ordinated questions or Members acting as a team with clear lines of inquiry. It has been highlighted that a number of Members do not prepare sufficiently for scrutiny meetings, leading to the presentation of officer reports that should have been read in advance and a missed opportunity for insightful questioning.

Members were keen to receive papers far enough in advance to read and prepare properly. There was also some concerns expressed that the sign-off process for papers, including Cabinet Member sign-off, was leading to a lack of transparency on some issues and delays.

We would recommend:

- **SKDC consider changing the process for the appointment of scrutiny chairs and vice-chairs and enabling committees to select themselves. This could be achieved by candidates presenting their credentials at the first meeting of the committee and a secret ballot held to elect the chair based on a 'best person for the job' principle. This may also provide the chair with extra independence and authority.**
- **A review of the process for signing off papers to ensure that it is proportionate, supports their timely distribution and transparency. We would also recommend that papers and reports for scrutiny are considered by the Chair and Vice Chair and are not subject to review or sign-off by Cabinet Members. This will maintain the authority and independence of scrutiny to decide on the information it requires to hold the executive to account.**



- **(Re)introducing pre-meetings before formal committee between all scrutiny Members to provide the space to identify priorities and agree questioning strategies.**

8. Member development

Scrutiny provides an excellent opportunity for broader Member engagement and to support Members in getting an in-depth understanding of issues. To get the most out of scrutiny, Members need a clear sense of what is required of them as committee Members and the work involved which allows good scrutiny to happen.

We noted that regular scrutiny training and briefings on issues such as finance is regularly offered to Members but with minimal take-up. There are plans to establish a Member group to support on development which will help to identify barriers taking up training and development and inform a new approach.

We would recommend:

- **More targeted support is offered for people in key roles such as Chairs which can meet their needs, e.g. could take the form of coaching or mentoring.**

9. External engagement

In carrying out 'external' scrutiny work, it is important to ensure that scrutiny has a clear focus on objectives and is able to influence outcomes concerning the topic discussed.

- **We would recommend scrutiny exploring ways to allow greater access, openness and involvement. This could include inviting the public to offer ideas for work programmes and greater use of social media channels for resident input and communicating the progress and impact of scrutiny work.**

Thank you and acknowledgements

We would like to thank the Chairs, Scrutiny Panel Members, Cabinet Members and officers who took part in interviews and the survey for their time, insights and open views.

Yours sincerely,



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Ian Parry
Head of Consultancy



77 Mansell Street London E1 8AN

telephone **020 7543 5627** email **info@cfgs.org.uk** twitter **@cfgscrutiny**

www.cfgs.org.uk

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