

2. SCRUTINY (A11412 /RMM)

Purpose of the report

1. This report briefs members on the current arrangements for scrutiny as requested by Members at the July Audit Resources and Performance Committee meeting and in accordance with the commitment in the Annual Governance Statement for 2010/11.

Recommendations

2.
 1. That the arrangements for scrutiny as described in the report are noted and the current direction on scrutiny i.e. focusing on micro scrutiny and value for money reviews is agreed
 2. That the arrangements for any member to raise a scrutiny proposal including a full scrutiny as described at paragraph 11 of the report are noted and their appropriateness confirmed
 3. That subject to agreement of recommendation 2:
 - a) the flow chart for formal scrutiny as given at Appendix 2 is amended by the Director of Corporate Resources in consultation with the Chair and Vice Chair of this committee to reflect how scrutiny topics can be raised
 - b) information is circulated to all members on the arrangements in place

How does this contribute to our policies and legal obligations?

3. The review of scrutiny in 2009 confirmed that scrutiny is central to our governance and commitment to performance improvement contributing in this way to our current corporate objective 11 (1) 'ensure continuous improvement, value for money, sustainability and high standards of corporate governance'.
4. Scrutiny also contributes to action under the Authority's Code of Corporate Governance which is developed around the principles of good governance as recommended by the CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy and Society of Local Authority Chief Executives and Senior Managers) framework 'delivering good governance in local government'.

Background

5. Members approved the original Scrutiny Guidelines in April 2006 (minute ref: 16/06) and then the review of scrutiny recommendations and changes in March 2009 (minute ref: 07/09). The outcomes of this review are given at Appendix 1. In support of the changes a revised process for a 'formal scrutiny' and 'micro scrutiny' were agreed. These are given at Appendices 2 and 3. Our scrutiny process and guidelines are in addition to other forms of member scrutiny such as:
 - Questioning and challenge as part of committee business
 - Discussions, questioning and challenge outside committee business
 - Strategic Advisory Group discussions
 - Regular briefings between members of management team and the relevant chairs and vice chairs
 - Regular briefings and discussion between member representatives and the relevant lead officer
 - Member task team work
 - Budget Monitoring

6. The last workshop to identify an appropriate topic for a formal scrutiny was held in July 2009 for members of the Audit and Performance Committee. There was a delay in bringing a report to the Authority on the topic identified as the recreational strategy scrutiny team was still in progress and it had been agreed only one scrutiny topic should be running at a time. In March 2010 the Authority agreed to set up a scrutiny group on: how are constituent authorities engaging with communities and how best can we be involved in order to increase the understanding of National Park purposes? (minute reference: 17/10).
7. Subsequent to this decision a number of pressures initially delayed the start of this scrutiny and then 'overtook' the decision as follows:
 - Work programmes of managers had to be re-prioritised to cope with the changing and challenging financial demands on the Authority
 - The Audit and Performance Committee Chair and Vice Chair asked for a programme of value for money reviews
 - We had progressed a successful micro scrutiny under our new process following the review of scrutiny
8. Throughout this period the Director of Corporate Resources consulted the Management Team and the Chairs and Vice Chairs of Audit and Performance and Audit Resources and Performance Committees who supported the suggestion that the scrutiny emphasis should be on a programme of value for money (vfm) reviews and micro-scrutiny.
9. These discussions took account of:
 - Lack of capacity both to support a programme of vfm reviews and support formal full scrutiny reviews
 - The growing view that the workshops to identify a formal scrutiny topic were not the right way to identify a topic that would drive improvement in performance and did not fulfil the scrutiny review recommendation of: 'selection of topics should be as required rather than following any particular timetable'.
 - The lessons from the micro scrutiny that had been initiated during a committee discussion, was timely and relevant and resulted in quick action involving members
 - The National Park Authorities Performance Assessment recommendations of:
 - a) Structure value for money studies to include robust challenge and look to introduce some cross-cutting review
 - b) Consider the emphasis and programme for scrutiny evaluations.
10. As part of the work to develop the 2010/11 Annual Governance Statement the following issue was identified and reported to Audit Resources and Performance Committee in September 2011: We need to obtain formal approval by members of the direction on scrutiny – i.e. that we will use the micro scrutiny process more and undertake a programme of value for money reviews. (minute reference: 28/11)
11. As holding workshops to identify topics for scrutiny is no longer thought to be effective it has recently been highlighted by the Chair and Vice Chair of Audit Resources and Performance that not all members understand how they can raise issues which may be appropriate for a scrutiny. The following arrangements exist:
 - a) Following the review of scrutiny in 2009 it was agreed that Standing Orders should provide for all members in committees to: *propose the establishment of a Task Team or a micro scrutiny inquiry as part of considering a report in Committee.* (E.g. a member recently asked for a task team of members to be set up to look at the Authority's existing strategy for

‘the management of recreational motorised vehicles in their use of un-surfaced highways and off road use’). This Standing Order means any member can ask in committee for a micro scrutiny as part of considering an issue in committee. Reports to committees are not necessarily ‘single topic’ reports and include reports which cover all the Authority’s services and business e.g. the performance and business plan, audit reports, the quarterly performance reports and other performance reports/reviews.

- b) The Member Officer protocol explains: *The Chief Executive and Directors will advise the Chair and Deputy Chair for Authority meetings and the relevant Committee Chair and Vice-Chair for Committees or Sub-Committees on likely items of business for forthcoming meetings. A Member may ask the Chief Executive or relevant Director to include an item of business on the agenda and to write a report on the matter. Members should consult with the appropriate Chair before making such a request.* This means any member can suggest a full or micro scrutiny topic and ask a report to be written proposing this after consulting the appropriate chair.
- c) Standing Orders include a further avenue for asking about scrutiny under paragraph 20 (1) (a) which states: *A Member of the Authority may if notice in writing has been given to the Director of Corporate Resources at least three days before an Authority Meeting ask the Chair of any Committee or Sub-Committee a question on any matter in relation to which the Authority has powers or duties or which affects the Peak District National Park.*

Proposals

12. It is proposed that members:

- a) discuss the current arrangements for scrutiny as described above and confirm the current direction on scrutiny i.e. focusing on micro scrutiny and value for money reviews
- b) discuss the current arrangements for members raising a scrutiny proposal as described above in paragraph 11 and confirm their appropriateness

13. If the current arrangements for raising a scrutiny proposal are confirmed it is proposed that:

- a) the flow chart for formal scrutiny as given at Appendix 2 is amended by the Director of Corporate Resources in consultation with the Chair and Vice Chair of this committee to reflect how scrutiny topics can be raised, deleting reference to a workshop
- b) information is circulated to all members on the arrangements in place including the need to test any proposals for a formal scrutiny review against the agreed questions of: Does the issue relate to a significant corporate area e.g. Performance Improvement Plan, National Pak Management Plan or corporate plan; Is there a significant performance issue evidenced by data, auditor’s report or customer feedback; Does that performance issue relate to poor performance or risks related to high achievement; Is there a need for the voice of the communities to be heard.

Are there any corporate implications members should be concerned about?

14. **Financial:**
The scrutiny guidelines explain that Resource Management Team will consider a proposal from the relevant Director on officer support and project management arrangements in parallel with agreeing these with the Chair of the scrutiny team. It will be necessary to plan the commitment of such resources within current budgets and to fit with planned work programmes.
15. **Risk Management:**
This report has been written to address the risk that the Authority's current arrangements and direction for scrutiny are not clearly understood and agreed by all members.
16. **Sustainability:**
There are no issues to identify at present.
17. **Background papers** (not previously published) – None

Appendices –

Appendix 1: Outcomes of 'Review of scrutiny'

Appendix 2: Flow of scrutiny process for formal topic

Appendix 3: Flow of scrutiny process for micro scrutiny inquiries

Report Author, Job Title and Publication Date

Ruth Marchington, Director of Corporate Resources, 17 November 2011