

5 July 2017		Agenda Item 8
<i>Draft Overview and Scrutiny Annual Report 2016/17</i>		
Lead Member:	Cllr Andy Booth - Chairman, Scrutiny Committee	
Report author:	Bob Pullen – Policy and Performance Officer	
Recommendations		
That the Committee:		
1. Considers and agrees the draft Overview and Scrutiny Annual Report for 2016/17 for presentation to Council.		

1 Purpose of report and executive summary

- 1.1 The draft annual report at Appendix I provides details of the work of the Scrutiny Committee during 2016/17.

2 Background

- 2.1 It is common practice among local authorities for the work of their overview and scrutiny (O&S) committees to be reported and considered each year by the authority, usually in the form of an annual report. The Scrutiny Committee’s terms of reference require it to report annually to Council on its work and make any recommendations for amended working practices if appropriate.

3 Discussion and recommendations

- 3.1 The Scrutiny Committee made some good progress last year as noted in the report. Recommendations previously accepted by Cabinet have been or are in the process of being implemented.
- 3.2 The annual report also serves as a useful summary of the Committee’s work which should be shared with residents via publication on the Council’s website.

4 Appendices and background papers

- 4.1 The following documents are to be published with this report and form part of the report:
- Appendix I: Draft Overview and Scrutiny Annual Report 2016/17.

6 Officer contact details

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Draft Overview and Scrutiny Annual Report 2016/17

Swale Borough Council

Foreword

Welcome to the overview and scrutiny report for 2016/17. The aim of this report is to reflect on the work that has been done in Swale this year.

2016/17 saw good progress made on a number of reviews including leisure and tourism which produced a report and recommendations which have been submitted to Cabinet and housing services which has concluded with a report and recommendations to be considered by at the first meeting of the Committee in 2017/18. Progress has also been made on the review of development management, including a series of visits to other Kent districts to learn about their arrangements.

The Committee also had several sessions to consider progress of the Sittingbourne Town Centre regeneration, as well as considering the Cabinet's draft budget for 2017/18, fees and charges, and financial and performance monitoring reports.

2017/18 presents a particularly challenging financial climate for the Council and the Committee has to continually adapt and respond to meet the many challenges ahead. We need to give a particular focus to resources and continually challenge whether the services the Council provide are being delivered in the most cost effective and efficient ways.

The overview and scrutiny function at Swale should not be excluded from this continuous drive for efficiency and effectiveness and we will review, during the course of the year, how we can improve. It is three years since the Council last changed its overview and scrutiny processes and a further review of our systems and processes, to ensure we are as effective as the best in the country, is timely.

Overview and scrutiny will need to be at the very centre of the difficult decisions the Council will need to take during 2017/18 and we stand ready to play our part in these considerations in order to ensure that decisions are taken in a transparent and evidence-based way.

I hope that all members will continue to fully engage in the Committee's reviews in order to ensure that the Council's decision-making processes are appropriately scrutinised in a systematic, transparent and fair manner.

If you would like to contribute to the scrutiny process, or have ideas for areas which you think would benefit from scrutiny, we would welcome your suggestions. Please let us have your views by email democraticservices@swale.gov.uk or telephone on 01795 417 330.

Councillor Andy Booth
Chairman of the Scrutiny Committee 2016/17

1 What is overview and scrutiny?

Introduction

- 1.1 Overview and scrutiny is a function of all English local authorities with an executive form of governance. This includes those, such as Swale, where a leader and cabinet take day-to-day decisions, and only decisions which affect the overall budget or policy framework are taken by the whole council.
- 1.2 Overview and scrutiny's main role is to hold the leader and cabinet to account on behalf of the whole council. This includes monitoring how well the council manages its resources and runs its services, as well as scrutinising the cabinet's formal decisions before they are put into operation.
- 1.3 Overview and scrutiny committees also have powers to examine other public services not provided by the council, including some health and policing matters.

Overview and scrutiny at Swale

- 1.4 Swale Borough Council has a single Scrutiny Committee which exercises all of the formal powers available to it under the Local Government Act 2000 (as amended).
- 1.5 The Scrutiny Committee comprises 13 councillors who are not members of the Cabinet. Whereas Cabinet members are usually drawn exclusively from the political group with a majority of seats on the Council, the Scrutiny Committee is made up of councillors from all groups and seats on the Committee are allocated in accordance with the political balance considerations across the Council as a whole. The Chairman and Vice-Chairman are appointed at Annual Council at the start of each new Municipal Year.
- 1.6 The role of the Scrutiny Committee includes:
 - reviewing or scrutinising decisions made, performance of, the Cabinet and Committees and Council Officers both in relation to individual decisions and over time;
 - reviewing or scrutinising the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
 - requiring members of the Cabinet and/or Committees and Chief Officers to attend before it to answer questions about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects; and

- reviewing and scrutinising the performance of other public bodies in the area.
- 1.7 The Scrutiny Committee also has special responsibility for scrutinising the Cabinet's annual budget proposals as part of the Budget and Policy Framework Procedure Rules.
- 1.8 The Scrutiny Committee is not a decision-making body as such. Instead it makes recommendations to Cabinet, who can either accept or reject them. In either case, Cabinet always responds 'on the record' to recommendations, stating why they have or have not been accepted. The Committee can also make recommendations to other organisations beyond the Council, but their legal powers here are weaker.
- 1.9 The Committee has a power to 'call-in' a Cabinet decision which has been taken but not yet implemented. Once the Committee has 'called-in' a Cabinet decision, it will consider the decision and decide whether to refer it back to Cabinet for reconsideration.
- 1.10 The Scrutiny Committee reviews a wide range of topics as well as regularly scrutinising financial and performance monitoring information.
- 1.11 Swale has also established a Policy Development and Review Committee which reviews any new or revised council policies and advises the relevant Cabinet member accordingly. This Committee does not have any formal overview and scrutiny powers, but it does have the power to make recommendations to the person or body that referred an item to it. A separate annual report for the Policy Development and Review Committee is prepared each year.

Principles

- 1.12 The key local principles forming the foundation of the overview and scrutiny function at Swale Borough Council are as follows:
- the focus for scrutiny must be based upon the achievement of outcomes rather than upon process and procedures in order to develop a function that can make a real difference to the Council and the borough;
 - that overview and scrutiny be positive, objective and constructive, seeking to add value to any service that it considers. Scrutiny should acknowledge good practice where found and recommend improvements where necessary; and
 - it is essential that the Council has an active and challenging scrutiny function that reflects corporate priorities regarding the provision of services.
- 1.13 Overview and scrutiny plays an important role in the overall governance of the Council.

2 Scrutiny Committee

- 2.1 The Scrutiny Committee is responsible for focussing on scrutiny and holding to account of corporate issues such as the budget, service performance and delivery of planned actions. Its full Terms of Reference during 2016/17 were as follows:

Preamble: the Scrutiny Committee satisfies the requirement under legislation (S.9F of the Local Government Act 2000 as inserted by the Localism Act 2011) to include provision for the appointment of one or more committees. The Scrutiny Committee plays a particular role in scrutinising the Executive's annual budget proposals as part of the Budget and Policy Framework Procedure Rules (Part 4.3 of the Constitution refers).

General role: Within the terms of reference, the Committee will:

- (i) review or scrutinise decisions made, and performance of, the Cabinet and Committees and Council Officers both in relation to individual decisions and over time;
- (ii) review or scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
- (iii) require Members of the Cabinet and/or Committees and Chief Officers to attend before it to answer questions about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects;
- (iv) make recommendations to the Cabinet or appropriate Committee or Council arising from the outcome of the scrutiny process – it is expected that reviews of policy arising out of the work of the committee would be referred to the Policy Development and Review Committee;
- (v) review and scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to address the Scrutiny Committee and local people about their activities and performance;
- (vi) make reports or recommendations to the authority or the executive with respect to any functions which are not the responsibility of the executive;
- (vii) make reports or recommendations to the authority or the executive on matters which affect the authority's area or the inhabitants of the area;
- (viii) exercise the right to call-in, for reconsideration, decisions made but not yet implemented by the executive;
- (ix) consider Councillor Call for Action requests in accordance with the Councillor Call for Action Protocol contained in Part 5 of this Constitution; and

(x) in accordance with Section 19 of The Police and Justice Act 2006, to act as the Council’s “Crime and Disorder Committee” in terms of reviewing and scrutinising decisions made, or other actions taken, in connection with the responsible authorities discharge of their Crime and Disorder functions.

The Scrutiny Committee shall exercise overall responsibility for any finances made available to them.

Annual Report – the Scrutiny Committee must report annually to the full council on its work and make recommendations for amended working methods if appropriate.

Membership

2.2 The following Councillors served on the Scrutiny Committee during 2016/17:

Councillor Andy Booth	Chairman
Councillor Lloyd Bowen	Vice Chairman
Councillor Mike Baldock	
Councillor Derek Conway	
Councillor Mike Dendor	
Councillor Mark Ellen	
Councillor Mick Galvin	
Councillor Mike Henderson	
Councillor Ken Ingleton	
Councillor Nigel Kay	
Councillor Samuel Koffie-Williams	
Councillor Peter Marchington	
Councillor Ben Stokes	

3 Scrutiny work programme

3.1 The Scrutiny Committee’s work programme includes the oversight of many areas of Council business such as the budget, service performance and delivery of planned actions as well as a number of dedicated reviews. Key areas of work for 2016/17 are summarised below.

Work programme 2016/17			
Title	Frequency	Focus of discussion	Status
Performance and financial monitoring	Ongoing - reviewed periodically throughout the year	<ul style="list-style-type: none"> ▪ Indicators not achieving target ▪ significant budget variances 	Complete
Council budget	Annual review	<ul style="list-style-type: none"> ▪ The Cabinet’s annual budget proposals are scrutinised before these are ratified by the Council 	Complete
Fees and charges	Annual review	<ul style="list-style-type: none"> ▪ The Committee considered Cabinet’s 	Complete

		proposals for fees and charges at an extraordinary meeting of the Committee held on 9 December 2015	
Scrutiny reviews			
Review	Date review template agreed	Report/recommendations submitted to Cabinet	Status
Sittingbourne Town Centre regeneration proposals	Not applicable	Regular updates provided by Cabinet Member for Regeneration and Interim Director of Regeneration	Ongoing.
Housing services	14/10/15	Draft report of Task and Finish Group to be considered by Scrutiny Committee on 5 July 2017	Ongoing.
Leisure and tourism	14/10/15	Report and recommendations submitted to Cabinet on 7 December 2016.	Complete.
Development management	14/10/15	Task and Finish Group made visits to several local authorities to find out how they operated development management. Review continuing into 2017/18	Ongoing.
Call-in: Cabinet decision on Capital Finance and Investment	Not applicable	Scrutiny Committee resolved on 29 November 2016 to refer the decision back to Cabinet	Complete.

Performance and financial monitoring

- 3.2 The Committee receives reports on performance and financial monitoring at many of its meetings.
- 3.3 The Committee regularly considered those indicators where performance was not achieving targets and discussed with Heads of Service their plans for turning performance around on these indicators. The Committee plays a significant role in the Council's performance management arrangements in that indicators which consistently fall into the 'red' category are escalated up to the Scrutiny Committee for further investigation.
- 3.4 The Committee received regular financial monitoring reports that presented Members with the opportunity to highlight significant budget variances and ask questions of officers and Cabinet members about their plans to address this.

Council budget

3.5 One of the Committee's key responsibilities is to scrutinise the Cabinet's annual budget proposals before these are ratified by the Council, which took place at a specially convened meeting on 26 January 2017. The Committee Chairman opened the meeting up so that any Council Member could attend and make representations. The Cabinet Member for Finance, along with other Cabinet Members and Senior Officers were present to respond to Members' questions. The Committee scrutinised the Cabinet's budget proposals line by line.

3.6 Cabinet noted the Committee's comments at their meeting of 1 February 2017.

3.7 The reports the Scrutiny Committee considered on the Council's draft budget are available here:

<http://services.swale.gov.uk/meetings/documents/s6893/Report%20-%20Cabinet%20Report%207.12.16%20Medium%20Term%20Financial%20Plan%20and%202017-18%20Budget.pdf>

3.8 The Committee's consideration of the draft budget is available here:

<http://services.swale.gov.uk/meetings/documents/g1730/Printed%20minutes%2026th-Jan-2017%2019.00%20Scrutiny%20Committee.pdf?T=1>

Fees and charges

3.9 The Committee considered the Council's annual review of fees and charges separately from the Budget this year. A record of the Committee's discussions with the Cabinet Member for Finance and Head of Finance is available here:

<http://services.swale.gov.uk/meetings/documents/g1728/Printed%20minutes%2016th-Nov-2016%2019.00%20Scrutiny%20Committee.pdf?T=1>

Sittingbourne Town Centre regeneration proposals

3.10 The Committee received an update on 8 February 2017 from the Cabinet Member for Regeneration and the Interim Director of Regeneration on the Sittingbourne Town Centre regeneration project.

3.11 A record of the discussion is available here:

<http://services.swale.gov.uk/meetings/documents/g1731/Printed%20minutes%2008th-Feb-2017%2019.00%20Scrutiny%20Committee.pdf?T=1>

Housing services

3.12 This review had started in the 2014/15 Municipal Year and the Committee had already discussed with the Cabinet Member for Housing, Head of Housing Services and the Housing Options Manager on a range of issues relating to housing. At that meeting on 2 September 2014, officers gave an overview of housing issues, both in the national and local contexts, and members explored issues such as: shortage of suitable accommodation;

temporary accommodation; affordable housing; and private rented accommodation.

- 3.13 The Committee heard from representatives of AmicusHorizon, the largest Registered Social Landlord operating in Swale, at their meeting on 11 November 2015. A record of the Committee's consideration is available here: <http://services.swale.gov.uk/meetings/documents/g1592/Printed%20minutes%2011th-Nov-2015%2019.00%20Scrutiny%20Committee.pdf?T=1>
- 3.14 The Committee resolved to refresh this review and take it forward in the 2016/17 Municipal Year. A review coordinator and supporting Task and Finish Group were appointed by the Committee and the report and recommendations that will shortly be submitted to Cabinet is available here: [insert weblink when available].

Leisure and tourism

- 3.15 This review was agreed by the Committee at the start of the Municipal Year and its purpose was to establish whether the Council was making the most of Swale's leisure and tourism offer in order to encourage people to visit the Borough.
- 3.16 A Task and Finish Group was established to take this review forward and it made significant progress in gathering evidence through issuing a questionnaire to local tourism facilities and serviced and non-serviced accommodation providers and visiting key operators in Swale's tourism sector. Members of the Group also visited two district council in Essex with a similar tourism profile to Swale to compare how other councils promote tourism and encourage visitors to their areas and whether the Council should consider adopting practice from elsewhere.
- 3.17 The Task and Finish Group concluded the review last summer and the report was agreed by the Scrutiny Committee at its meeting on 12 October 2016. The report and recommendations were submitted to Cabinet on 7 December 2016 and the report is available here: <http://services.swale.gov.uk/meetings/documents/s6587/Item%207%20Leisure%20and%20tourism%20review%20-%20Report%20to%20Cabinet.pdf>
- 3.18 The Cabinet's response to the report and recommendations is available here: <http://services.swale.gov.uk/meetings/documents/s6950/Final%20-%20Scrutiny%20recommendations%20Leisure%20and%20Tourism%202016.pdf>
- 3.19 Following the report and Cabinet's response, Members of the Task and Finish Group have met with the consultant employed by the Council to produce the Visitor Economy Strategy to share their findings and it is expected that the draft Visitor Economy Strategy will come before the Policy Development and Review Committee for consideration in due course.

Development Management

- 3.20 This review was also agreed by the Committee at the start of the Municipal Year and its purpose was to review the effectiveness of the Council's processes for deciding planning applications and all of the various elements that that entails.
- 3.21 The Committee had an initial discussion with the Cabinet Member for Planning, the Head of Planning Services and the Development Manager at their meeting on 13 January 2016. The key issues that were highlighted as areas to consider were:
- planning delegations and the volume of applications that were coming to the Planning Committee for decision;
 - the role of statutory consultees in the decision process;
 - the role of parish and town councils;
 - planning appeals;
 - unadopted land on new developments; and
 - Section 106 agreements.
- 3.22 A Task and Finish Group has been formed to take the review forward and so far its focus has been on the determination of planning applications, including delegation levels and the operation of the Planning Committee. The Task and Finish Group has visited three other district councils in Kent to discuss these matters with Members and officers and to observe how their Planning Committees operate.
- 3.23 Work on the review will continue into 2017/18.

Call-in

- 3.24 A Call-in was held on 29 November 2016 to consider a Cabinet decision on borrowing up to £28m for capital financing and investment. The Committee resolved to refer the decision back to Cabinet. A record of the Committee's consideration and recommendations are available here: <http://services.swale.gov.uk/meetings/documents/g1817/Printed%20minutes%2029th-Nov-2016%2019.00%20Scrutiny%20Committee.pdf?T=1> and a record of the Cabinet's response to these is available here: <http://services.swale.gov.uk/meetings/documents/s6738/Response%20to%20Scrutiny%20Committee%20recommendations%207.12.16.pdf>.

4 Review of approach to overview and scrutiny in 2016/17

- 4.1 We have taken this opportunity to review the way in which overview and scrutiny has worked in Swale during 2016/17, in order to build on our strengths and address any areas that could be identified for further development.
- 4.2 At Appendix I we set out a review of each of the major pieces of work that overview and scrutiny carried out during the year. Some common themes emerge from this review, as set out below.
- 4.3 Particular strengths that we would wish to build on during 2017/18 include:

- to devote sufficient time and resources to a few key issues which have major implications for residents rather than reviewing areas where there is little or no evidence to suggest services are under-performing;
- continuing the practice of undertaking more of scrutiny's work on a 'Task and Finish' basis so that Committee time can be used more effectively; and
- urging Cabinet Members and officers to bring forthcoming decisions to scrutiny at an early stage.

4.4 Particular areas that have been identified as requiring further development during 2017/18 include:

- restricting reviews to issues where evidence suggests that they would benefit from scrutiny input;
- seeking opportunities to have an early input to issues rather than being presented with a fait accompli; and
- being more diligent in ensuring reviews start as quickly as possible after the scope has been set, by appointing Task and Finish Groups quickly, and receiving regular reports from Task and Finish Group coordinators to ensure that reviews are progressing sufficiently.

4.5 The actions that we will put in place to address these include:

- undertaking a self-evaluation of Swale's scrutiny function to identify any changes to arrangements or further developments needed;
- revising the Swale Scrutiny Handbook which had been produced some years ago to bring it up to date;
- exploring with the Member Development Group how members of the Scrutiny Committee can develop their scrutiny skills through training.

5 Contact details

5.1 Scrutiny Committee meetings take place throughout the year and members of the public are welcome to attend. Dates, agendas, reports and minutes for these meetings can be found on the Council's website: <http://www2.swale.gov.uk/dso/>. Alternatively, you can telephone Democratic Services on 01795 417 330.

5.2 The Scrutiny Team provides independent and professional support and advice to the Members of Scrutiny Committee.

5.3 You can contact the Scrutiny Team using one of the following methods:-

In writing to:

Scrutiny Team
Policy and Performance Unit

Swale Borough Council
Room 318
Swale House
East Street
Sittingbourne
Kent
ME10 3HT

By e-mail/telephone:

Bob Pullen – Policy and Performance Officer

BobPullen@swale.gov.uk

01795 417 187

Democratic Services

Democraticservices@swale.gov.uk

01795 417 330

5.3 A full list of Committee meeting dates, times, venues and agendas is available on Swale Borough Council's website:

<http://services.swale.gov.uk/meetings/ieDocHome.aspx?bcr=1>

Overview and Scrutiny Committees Review of 2016/17 major reviews

Title	Overview	Strengths	Development Areas
Performance and financial monitoring	Scrutiny Committee focuses on indicators not achieving target and significant variations to the proposed budget	<p>The Chairman and Vice-Chairman have held regular pre-meetings with the Policy and Performance Team and Head of Finance in order to thoroughly prepare for Committee meetings – particularly those involving performance and/or finance.</p> <p>The Committee plays a significant role in the Council's performance management arrangements.</p> <p>The Committee receives regular financial monitoring reports that present members with the opportunity to highlight significant variations to the proposed budget and ask questions of officers and Cabinet members about their plans to address this.</p>	Review the frequency of monitoring reports going to Committee. Is the currently quarterly cycle the best use of the Committee's time, and what value does this add to debate at other forums (e.g. Cabinet and Council)?
Council budget Fees and charges	The focus is to scrutinise Cabinet's annual budget proposals before these are ratified by Council. This is normally preceded by scrutiny of Cabinet's proposals for fees and charges.	<p>Review took place at a specially convened meetings on 26 January 2017.</p> <p>The Committee Chairman opened the meeting up so that any Council Member could attend and make</p>	More could perhaps be done in the way of preparation by the Committee so that particular areas of the budget which give rise to concerns can be given greater focus and possible recommendations for change be made to Cabinet.

Title	Overview	Strengths	Development Areas
		<p>representations.</p> <p>The majority of Cabinet Members and Heads of Service were present to answer questions and provide further information.</p>	
One off reviews and updates	<p>The Committee considers a number of topics throughout the year either on a one-off or regular basis rather than as part of an in-depth review. The prime examples this year has been Sittingbourne Town Centre regeneration.</p>	<p>These reviews provide non-executive members to raise concerns with Cabinet Members and senior officers in an open and transparent forum. The ability to discuss policy considerations and reasons for decisions in an open forum contributes to good governance.</p>	<p>It is imperative that Cabinet Members and senior officers ensure that the Cabinet Forward Plan is kept up to date with informative and timely information regarding forthcoming decisions so that the Scrutiny Committee has sufficient notice of when decisions are to be made so they can play an appropriate and proportionate part in the pre-decision process.</p>
Major reviews	<p>These are identified in the Committee's forward work programme at the beginning of each new Municipal Year. Examples this year include Housing Services, Development Management and Tourism and Leisure</p>	<p>These reviews work best when they are conducted through Task and Finish Groups who undertake most of the activity outside of the Committee cycle and provide progress reports periodically to the Committee which culminates in a report and recommendations for the Committee's consideration.</p>	<p>The Task and Finish Groups need to be formed soon after the scope of the review has been agreed by the Committee.</p> <p>The Committee needs to pay particular attention to managing these reviews to ensure they provide evidence-based reports and recommendations in a timely manner.</p>
Call-ins	<p>The Scrutiny Committee is the only Council Committee that has the power to 'call-in' Cabinet decisions for consideration once</p>	<p>There are clear guidelines on how call-in should be used, with safeguards against abuse of the powers available to the</p>	<p>There has only been one call-in during the course of the year.</p> <p>The Committee should carefully</p>

Title	Overview	Strengths	Development Areas
	they have been made, but not implemented. The Committee is able to consider Cabinet decisions and refer the decision back to Cabinet for reconsideration.	Committee.	balance whether calling-in a Cabinet decision would make any difference to that decision against the time, effort and resource needed to hear the call-in.