

Overview and Scrutiny Annual Report 2014/15

Swale Borough Council

Foreword

Welcome to the overview and scrutiny report for 2014/15. The aim of this report is to reflect on the work that has been done in Swale this year.

The success of overview and scrutiny has continued to expand over the past year. It is gaining a reputation as a force for change and improvement at the Council. However, overview and scrutiny has to continually adapt and respond to meet the many challenges ahead, particularly in regards to the continually challenging financial climate. As part of this, the Council undertook a review of Swale's overview and scrutiny function last year and decided to make some changes to the committee structures which were implemented during 2014/15.

We have had many successes but have also reflected on where we need to think through our processes and evaluate where and how we are gaining our best outcomes.

2015/16 looks set to be another challenging year, with councils continuing to look at the way they have traditionally provided services to their residents. We are also facing a difficult budget round for 2015/16 where the Council will have to take some difficult decisions on funding priorities. Overview and scrutiny will need to be at the very centre of these considerations in order to ensure that decisions are taken in a transparent and evidence-based way.

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 2014/15

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 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 2014/15 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 since May 2014:

Councillor Andy Booth	Chairman
Councillor Lloyd Bowen	Vice Chairman
Councillor Sylvia Bennett	
Councillor Jackie Constable	
Councillor John Coulter	
Councillor Mark Ellen	
Councillor June Garrad	
Councillor Mike Haywood	
Councillor Mike Henderson	
Councillor Peter Marchington	
Councillor Colin Prescott	
Councillor Ben Stokes	
Councillor Ghlin Whelan	

3 Scrutiny work programme

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 2014/15 are summarised below.

Work programme 2014/15			
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 decided to consider the annual review of fees and charges separately to 	Complete

		the Council Budget	
Scrutiny reviews			
Review	Date review template agreed	Report/recommendations submitted to Cabinet	Status
Sittingbourne Town Centre regeneration proposals	-	-	Complete.
Welfare reform	-	-	Ongoing.
Housing services	23/09/14	-	Ongoing.
Mid Kent Improvement Partnership – Governance and Communications	10/09/14	11/03/2015	Complete.
Mid Kent Improvement Partnership – Planning Support	-	-	To be decided.
Economic development review	13/06/13	-	To de decided.
Asset transfers	05/12/13	-	Ongoing.
Contracts and procurement	24/09/14	-	Complete.
Forum Shopping Centre, Sittingbourne (Call-in)	-	-	Complete.

3.1 Performance and financial monitoring

- 3.1.1 The Committee receives reports on performance and financial monitoring at many of its meetings.
- 3.1.2 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.
- 3.1.3 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.

3.2 Council budget

3.2.1 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 28 January 2015. 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.

3.2.2 Cabinet noted the Committee's comments at their meeting of 4 February 2015.

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

<http://services.swale.gov.uk/meetings/documents/s1916/Budget%20report.pdf>
<http://services.swale.gov.uk/meetings/documents/s1951/Budget%20Update%20Scrutiny.pdf>

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

<http://services.swale.gov.uk/meetings/documents/g1311/Printed%20minutes%2028th-Jan-2015%2019.00%20Scrutiny%20Committee.pdf?T=1>

3.3 Fees and charges

3.3.1 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/g1303/Printed%20minutes%2029th-Oct-2014%2019.00%20Scrutiny%20Committee.pdf?T=1>

3.4 Sittingbourne Town Centre regeneration proposals

3.4.1 The Committee considered a proposal to construct and operate a multi-storey car park on the Forum car park site in Sittingbourne in order to support the regeneration of the Town Centre and to replace parking spaces being lost to development.

3.4.2 The review took place at a single Committee meeting with the Cabinet Member for Finance, the Director of Regeneration and the Special Projects Officer present. The review did not lead to any recommendations being made by the Scrutiny Committee. Cabinet approved proposals to construct and operate the car park at its meeting of 16 July 2014.

3.4.3 A record of the Committee's discussions with the Cabinet Member for Finance and lead officers is available here:

<http://services.swale.gov.uk/meetings/CeListDocuments.aspx?MID=1459&RD=Minutes&DF=25%2f06%2f2014&A=1&R=0>.

3.5 Welfare reform and Universal Credit

- 3.5.1 The Committee had been maintaining a watching brief on this topic for several years and has periodically reviewed matters relating to the implementation of welfare reform at Swale.
- 3.5.2 The Committee heard from the Cabinet Member for Finance and Revenues and Benefits Assistant Manager at their meeting of 23 July 2014 about latest developments including: Discretionary Housing Payments; changes to Council Tax support; the work the Council was undertaking in partnership with AmicusHorizon and Job Centre Plus, as well as with the Council's own Housing Options service, to provide a holistic package of support to claimants. A record of the Committee's discussion with the Cabinet Member and lead officer is available here:
<http://services.swale.gov.uk/meetings/CeListDocuments.aspx?MID=1460&RD=Minutes&DF=23%2f07%2f2014&A=1&R=0>.
- 3.5.3 The Committee also heard from the Revenues and Benefits Assistant Manager at their meeting of 27 November 2014 about Discretionary Housing Payments and an update on implementation of Welfare Reform. A record of the Committee's consideration of these matters is available here:
<http://services.swale.gov.uk/meetings/documents/g1304/Printed%20minutes%2027th-Nov-2014%2019.00%20Scrutiny%20Committee.pdf?T=1>.
- 3.5.4 The Committee were provided with a further update on implementation of Welfare Reform at their meeting on 11 February 2015 and a record of this can be found here: <http://services.swale.gov.uk/meetings/mgAi.aspx?ID=1105>.

3.6 Housing services

- 3.6.1 The Committee met with the Cabinet Member for Housing, Head of Housing Services and the Housing Options Manager on 2 September 2014 to consider a range of issues relating to housing. 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.
- 3.6.2 The Committee had decided at the beginning of the year to review housing services, but the impetus to lead the review waned during the course of the year and little progress had been made leading to the Committee agreeing to revisit the issue in 2015/16.

3.7 Mid Kent Improvement Partnership – Governance and Communications

- 3.7.1 The Committee agreed to participate in a joint scrutiny review, along with members from Maidstone and Tunbridge Wells Scrutiny Committees, to consider the governance and communications arrangements relating to the Mid Kent Improvement Partnership (MKIP).
- 3.7.2 A Joint Task and Finish Group (JTFG) was established consisting of two members of each of the three Scrutiny Committees. The JTFG was chaired by the Chairman of the Swale Scrutiny Committee. The JTFG met some six

times over the space of three months to hear evidence from MKIP Board members, Heads of Service, joint service delivery officers and external experts as well as review various reports and other documents at eleven witness sessions.

- 3.7.3 Following the review, the JTFG formulated their recommendations and report which was presented to a special joint meeting of the three Scrutiny Committees held on 12 January 2015. A record of that meeting can be found here:

<http://services.swale.gov.uk/meetings/documents/g1504/Printed%20minutes%2012th-Jan-2015%2019.00%20Special%20Meeting%20of%20the%20Overview%20and%20Scrutiny%20Committee.pdf?T=1>.

- 3.7.4 Subsequently, the report and recommendations were submitted to the respective Cabinets of each authority – in Swale’s case that was on 11 March 2015. The Scrutiny Committee’s recommendations and Cabinet’s response to them can be found here:

<http://services.swale.gov.uk/meetings/documents/s2259/Report.pdf>. A record of that meeting can be found here:
<http://services.swale.gov.uk/meetings/documents/g1277/Printed%20minutes%2011th-Mar-2015%2019.00%20Cabinet.pdf?T=1>.

3.8 Mid Kent Improvement Partnership – Planning support

- 3.8.1 The Committee agreed to participate in a joint scrutiny review with the Scrutiny Committees of Maidstone and Tunbridge Wells Borough Councils to consider the poor performance of the planning support shared service following the transfer of this service to the Mid Kent Improvement Partnership (MKIP).

- 3.8.2 All members of the three Scrutiny Committees from Maidstone, Swale and Tunbridge Wells Borough Councils were invited to attend a special joint committee meeting at Maidstone Town Hall on 23 February 2015. The Committees: (a) considered a Project Implementation Review undertaken by Mid Kent Audit Services; (b) questioned members of the MKIP Board over the implementation of the shared service; and (c) received a verbal update from the Interim Head of Planning Support Services on the latest state of play.

- 3.8.3 During the discussion of ‘Next Steps’, consideration was given to whether the three Committees should establish a Task and Finish Group to review the MKIP Planning Support implementation more thoroughly. The three Committees agreed to this in principle and agreed to revisit this in the new Municipal Year following the elections that would be taking place in all three councils. A record of the discussion can be found here:

<http://services.swale.gov.uk/meetings/documents/g1512/Printed%20minutes%2023rd-Feb-2015%2019.00%20Special%20Meeting%20of%20the%20Overview%20and%20Scrutiny%20Committee.pdf?T=1>.

- 3.8.4 It should be noted that two issues of significance have occurred since the joint meeting of the Scrutiny Committees on 23 February 2015 which may have a bearing on whether joint scrutiny of this matter by the three authorities

proceeds. These are: (a) Tunbridge Wells Borough Council gave notice subsequent to the meeting that they intended to withdraw from the MKIP Planning Support service; and (b) Maidstone Borough Council have changed their governance arrangements from Leader and Cabinet to the Committee System and therefore no longer operate Overview and Scrutiny. Whether there will be a review of MKIP Planning Support in the new Municipal Year, either singularly or jointly, will need to be considered.

3.9 Economic development

3.9.1 This review had commenced in 2013/14 under the auspices of the former Policy Overview Committee. Following the winding up of that Committee, the review was included in the work programme for the Scrutiny Committee in 2014/15. However, no progress was made on the review during the course of the year.

3.10 Asset transfers

3.10.1 An earlier review of Asset Transfers had been completed in 2011/12 which had resulted in an interim report to Cabinet. It had been decided that this topic should be revisited in the future as the number of community asset transfers which had taken place during 2011/12 was still relatively small.

3.10.2 A small group of Committee members formed a Review Group to take forward this work and met with a number of Cabinet Members and lead officers to discuss. The culmination of the review will be a report to be presented to the Committee early in 2015/16.

3.11 Contracts and procurement

3.11.1 This review, which had begun in 2013/14, was also led by a small group of Committee members who had met with the relevant Cabinet Members and lead officers to review whether the changes which had been made to the Council's contracts and procurement procedures had been effective.

3.11.2 The conclusion of the review was that the new systems that had been introduced had bedded in, and there had been significant savings, for example on the waste contract. The review had provided reassurance that the contracts and procurement processes at Swale Borough Council were working efficiently and consequently there were no recommendations to take to Cabinet.

3.12 Forum shopping centre, Sittingbourne

3.12.1 The Committee regularly review the Council's Forward Plan of forthcoming decisions and had identified that a future decision was imminent on a proposal to purchase a 30% share in the Forum Shopping Centre, Sittingbourne. The Committee decided to exercise its power to call-in for review the decision made by Cabinet on 11 March 2015 to proceed with this proposal on the basis that there had been insufficient consultation leading up to Cabinet taking the decision.

3.12.2 The Committee heard the call-in at its meeting on 19 March 2015. The Leader of the Council, Chief Executive and Head of Finance were all present for the hearing. This item of the meeting was held in 'closed session' as the report contained confidential financial information.

3.12.3 The Committee scrutinised the reasons underlying the proposals, including on why the proposals were not consulted on; whether the proposal was a good investment; risks; borrowing instead of using reserves to fund the investment; where any proceeds from the investment could be spent.

3.12.4 Following consideration, the Committee decided not to refer the decision back to Cabinet for consideration. A record of the call-in hearing is available here: <http://services.swale.gov.uk/meetings/mgAi.aspx?ID=1407>.

4 Review of approach to overview and scrutiny in 2014/15

4.1.1 We have taken this opportunity to review the way in which overview and scrutiny has worked in Swale during 2014/15, in order to build on our strengths and address any areas that could be identified for further development.

4.1.2 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.

4.1.3 Particular strengths that we would wish to build on during 2015/16 include:

- to devote sufficient time and resources to 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.

4.1.4 Particular areas that have been identified as requiring further development during 2015/16 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
- considering more joint working with scrutiny members from other councils – eg. for scrutiny of jointly delivered services.

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

- 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; and
- ensuring Swale's overview and scrutiny processes mirror best practice elsewhere.

5. Contact details

- 5.1 Policy Overview and 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 The Policy Overview and Scrutiny Committees.
- 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 310
 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://www2.swale.gov.uk/dso/>

Overview and Scrutiny Committees Review of 2014/15 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>	Develop Member skills through training on performance and financial management.
Council budget	The focus is to scrutinise Cabinet's annual budget proposals before these are ratified by Council	<p>Review took place at a specially convened meetings on 28 January 2015.</p> <p>The Committee Chairman opened the meeting up so that any Council Member could attend and make</p>	

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>	
MKIP Governance and Communications	<p>A Joint Task and Finish Group (JTFG) comprised of two members from each of Maidstone's, Swale's and Tunbridge Wells Borough Council's Scrutiny Committees reviewed the effectiveness of the Mid Kent Improvement Partnership's Governance and Communications arrangements and make recommendations for improvement.</p>	<p>The JTFG achieved a lot in a very short space of time, demonstrating that complicated matters can be investigated thoroughly and effectively if there is the will to do it.</p> <p>The members of the JTFG worked well together, each bringing their own expertise and experience to the process.</p>	<p>There was perhaps too much emphasis placed on process rather than the findings of the review when reports came back to joint meetings of the three Committees. Consequently, the non JTFG members were at risk of feeling disengaged from the process.</p> <p>Trying to align three councils' different governance arrangements in order to set up meetings and issues reports was time consuming and very complicated. If joint scrutiny of MKIP or MKIP services is to be a growing area of work, we should seek to streamline these processes.</p>
All other reviews on the work programme	-	<p>Some of the review areas are suited to 'briefing-style' items on Committee agendas where the Cabinet Member and lead officer provide a short update and members can raise questions. A good example is Welfare Reform which the</p>	<p>Other reviews are not suited to 'briefing-style' items on the Committee agendas and need some in-depth work undertaken in order to enable the Committee to make evidence-based recommendations for submission to Cabinet. The</p>

Title	Overview	Strengths	Development Areas
		Committee has maintained a watching brief over for some time.	Committee needs to consider how it can get to a position which results in this, and guard against taking on too many reviews.