
Overview and Scrutiny Management Board
25th November, 2020

Report of the Director of Finance and Legal and the
Monitoring Officer

Future Designation of Overview and Scrutiny Committees

Purpose

1. To consider the future designation of Scrutiny Committees for implementation in the 2021/22 municipal year.

Recommendations

2. That the existing designation of Scrutiny Committees be retained for the remainder of this municipal year to complete the Annual Scrutiny Programme for 2020/21.
3. That recommendations be included in the annual review of the Constitution concerning the re-designation of Scrutiny Committees for the 2021/22 municipal year as set out in paragraph 10.
4. That Members consider budget scrutiny arrangements and potential improvements as set out in paragraphs 15 to 18.

Background

5. On 31st October, 2019, the Cabinet approved a senior management restructure. As a consequence, there are no longer People and Place Directorates. Proposals were subsequently developed to amend the designation of Overview and Scrutiny Committees to reflect the restructure. A report was scheduled for consideration by the Overview and Scrutiny Management Board on 26th March, 2020
6. In view of the Covid-19 pandemic, the meeting on 26th March, 2020 was cancelled. The Government then issued the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings (England and Wales) Regulations 2020. Amongst other things, the Regulations provided for the cancellation of the Annual Council meeting in May, 2020.

7. The Regulations also provide that any appointments normally made at the Annual Council meeting will remain in place until the next Annual Meeting or until such time as the Council may determine. In the interests of continuity, no changes were made to the structure of Dudley's Overview and Scrutiny Committees in May 2020.
8. The Board is invited to revisit the proposals that were developed earlier this year. Any recommendations will need to be incorporated in the annual review of the Constitution to be reported to the Cabinet in December, 2020 and Full Council in February, 2021. Any changes to the Committee structure will be subject to formal confirmation at the Annual Meeting of the Council in May, 2021.
9. The existing Scrutiny Committees are:-
 - Overview and Scrutiny Management Board
 - Children's Services Scrutiny Committee
 - Corporate Scrutiny Committee
 - Place Scrutiny Committee
 - Health and Adult Social Care Scrutiny Committee

Scrutiny Committees for 2021/22

10. In order to reflect the restructure and balance the workloads of Committees, it is proposed to establish four Scrutiny Committees for 2021/22:

Future Council Scrutiny Committee

To undertake overview and scrutiny functions relating to the following Directorates and appropriate Cabinet Members:

- Chief Executive's
- Digital, Customer and Commercial
- Finance and Legal
- Regeneration and Enterprise

Health and Adult Social Care Scrutiny Committee

To undertake overview and scrutiny functions relating to the following Directorates and appropriate Cabinet Members:

- Adult Social Care
- Public Health and Wellbeing

Children and Young People Scrutiny Committee

To undertake overview and scrutiny functions relating to the Directorate of Children's Services and appropriate Cabinet Members.

Housing and Public Realm Scrutiny Committee

To undertake overview and scrutiny functions relating to the following Directorates and appropriate Cabinet Members:

- Housing
- Public Realm

To undertake overview and scrutiny functions associated with the strategic Crime and Disorder Reduction Partnership (Safe and Sound).

Overview and Scrutiny Management Board

11. The Council established the Overview and Scrutiny Management Board in 2013. The main functions of the Board are currently:
 - To oversee and co-ordinate the Council's Overview and Scrutiny functions.
 - To approve and monitor the Annual Scrutiny Programme.
 - To submit an annual report to the Council on the work of the Overview and Scrutiny Committees.
12. In recent years, the functions originally allocated to the Overview and Scrutiny Management Board have been delegated to individual Scrutiny Committees. For example, the consideration of individual scrutiny 'call-ins', corporate performance management and making amendments to the Annual Scrutiny Programme. Each Scrutiny Committee is now producing its own section of the Annual Report to full Council.
13. It is therefore proposed that the Board is not re-established in May, 2021 and its functions are integrated in the terms of reference of the other four Scrutiny Committees.
14. It has been recognised that work needs to be undertaken to strengthen the Council's overview and scrutiny arrangements. This includes further Member development activity, learning from best practice across the sector and the need to ensure that scrutiny work is outcome driven. Of particular importance is the process for developing and giving focus to the Annual Scrutiny Programme. This is the subject of ongoing work with Scrutiny Chairs, Vice-Chairs and other Members with input from Council Directorates.

Budget Scrutiny

15. At the November, 2019 meeting of the Board, Members expressed concerns about the lack of comments on the budget from Scrutiny Committees and suggested that budget scrutiny arrangements should be reviewed. The Director of Finance and Legal was requested to report back to a future meeting of the Board.
16. Formal financial reporting and scrutiny have in previous years operated as follows:

- Cabinet in June receives a report on the draft outturn for the previous financial year.
 - Audit and Standards Committee in July approves the Statement of Accounts for the previous financial year. The Committee also considers the External Auditor's report for the previous year.
 - Cabinet in October approves a draft budget and Medium Term Financial Strategy (MTFS) for the next three years, as a basis for consultation and scrutiny.
 - During November, all Scrutiny Committees consider the draft budget and MTFS focusing on proposals relevant to their own portfolio. The Board also considers the same report and receives a verbal outline of issues arising from the other Scrutiny Committees.
 - Where they wish, Scrutiny Committees may request further detailed reports on particular issues of concern to come to their January meeting and they may also choose to consider these issues through a Working Group.
 - Cabinet in February reconsiders the budget and MTFS, including any observations from scrutiny, and makes recommendations to Full Council.
 - Full Council in March gives final approval to the budget and MTFS.
 - Where appropriate at any point in the year, Cabinet may also make recommendations to Full Council for changes to the current budget.
17. In parallel with the formal process, there is informal consideration of the budget through a series of Cabinet Summit meetings, normally in June, October and January. These may be single party or cross party at the discretion of the Leader of the Council.
18. The process and timetable during the current year has been affected by Covid-19 (in particularly the timing of the Comprehensive Spending Review and the uncertainty about financial support in future years). It is hoped that next year the timetable (for setting the 2022/23 budget) will return to normal. In that event, there are a number of potential improvements that could be considered so as to strengthen the role of Scrutiny Committees. These proposals reflect the revised structure of Committees outlined elsewhere in this report:
- The Future Council Scrutiny Committee could take lead responsibility for scrutinising the Council's overall financial position and budget process.
 - The involvement of the Future Council Scrutiny Committee could start earlier in the budget cycle, in parallel with the informal Cabinet Summit meetings.
 - The Future Council Scrutiny Committee could undertake some or all of its budget scrutiny role through dedicated workshop sessions.

- Individual Scrutiny Committees could continue to undertake public scrutiny of proposals relevant to their own terms of reference in November and could consider dedicating more time to the budget in these meetings.
- Individual Scrutiny Committees would still have discretion to focus in depth on specific issues of concern and to convene Working Groups as appropriate.

Finance

19. The costs of operating the Council's scrutiny arrangements are contained within existing budgetary allocations. Any proposals to develop the Council's overview and scrutiny functions have to be set in the context of the financial resources available to support scrutiny work. Enhanced budget scrutiny would have to be supported from within the existing time resources of the Directorate of Finance and Legal.
20. Any decision not to re-establish the Overview and Scrutiny Management Board will result in a saving of £6,438 together with associated administrative savings.

Law

21. Scrutiny Committees are established in accordance with the provisions of the Local Government Act 1972 and the requirements of the Council's Constitution, which was adopted under the Local Government Act 2000, subsequent legislation and associated Regulations and Guidance. The Council's scrutiny arrangements are set out in Article 6 of the Constitution (Overview and Scrutiny) and the associated Scrutiny Procedure Rules are contained within Part 4 of the Constitution.

Equality Impact

22. Provision exists within the Council's scrutiny arrangements for overview and scrutiny to be undertaken of the Council's policies on equality and diversity.

Human Resources/Organisational Development

23. Scrutiny Committees are primarily administered within the resources available to the Democratic Services Team with support from Directorates and other Officers as required. Any proposals to review the Council's overview and scrutiny functions have to be set in the context of the human resources available and the organisational capacity to support scrutiny work.

Commercial/Procurement

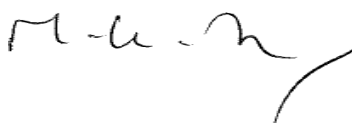
24. Individual items included in the Annual Scrutiny Programme may have commercial implications, which will be reported to the relevant Scrutiny Committee. The proposed Future Council Scrutiny Committee will undertake overview and scrutiny functions relating to the Directorate of Digital, Customer and Commercial.

Health, Wellbeing and Safety

25. The Council's overview and scrutiny arrangements will reflect the objectives of the Council Plan, Borough Vision and Future Council 2030. This includes building stronger, safer and more resilient communities and protecting our residents' physical, and emotional health for the future.



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List of Background Documents

[Dudley MBC Corporate Structure \(approved by Cabinet on 31st October, 2019\)](#)

[Minutes of the Overview and Scrutiny Management Board – 27th November 2019](#)

[Local Authorities and Police and Crime Panels \(Coronavirus\) \(Flexibility of Local Authority and Police and Crime Panel Meetings\) \(England and Wales\) Regulations 2020.](#)