

Cheltenham Borough Council
Council – 12 December 2011
New Arrangements for Overview and Scrutiny

Accountable member	Cabinet Member Corporate Services, Councillor Colin Hay
Accountable officer	Andrew North, Chief Executive
Accountable scrutiny committee	All
Ward(s) affected	All indirectly
Significant Decision	No
Executive summary	<p>In May 2011, the Group Leaders asked the Chief Executive to consider whether the current arrangements for overview and scrutiny within the Council would be effective with the move to become a commissioning council. They agreed that a review should be carried out to identify what changes needed to be made, in time for their implementation immediately following the borough elections in May 2012.</p> <p>This report sets out the conclusions of the review and asks Council to agree the principles of the new arrangements so that more detailed work can be done. A further report will be brought back to Council in March 2012 which will ask Council to approve the constitutional and any other procedural changes necessary to support the implementation of the new arrangements.</p>
Recommendations	<p>The Council is asked to</p> <ol style="list-style-type: none"> 1. Approve the key principles of the new scrutiny arrangements set out in sections 5.3 to 5.21 of the report 2. Authorise officers to develop the detailed procedures and processes to support the new arrangements ready for implementation immediately following the borough elections in May 2012, in consultation with the Project Sponsor, Councillor Penny Hall and the Cabinet Member Corporate Services. 3. Request the Constitution Working Group to review the constitutional changes required to support the new arrangements and include them in its planned revisions to the Council's Constitution due for approval by Council in March 2012. 4. Authorise officers to reconvene the independent Members Remuneration Panel to review any changes to the Special Responsibility Allowances arising from the new arrangements.

<p>Financial implications</p>	<p>As outlined in section 6 of the report.</p> <p>The changes in responsibilities may lead to a change in allowances which may have budgetary implications.</p> <p>Contact officer: Mark Sheldon, mark.sheldon @cheltenham.gov.uk, 01242 264123</p>
<p>Legal implications</p>	<p>The Authority must have at least one Overview and Scrutiny Committee. Scrutiny committees may review both executive and non executive functions and can make reports and recommendations to the Council or the Cabinet on those functions and “on matters which affect the authority’s area or the inhabitants of that area”. A scrutiny committee may also take the role of the crime and disorder committee under the Police and Justice Act 2006.</p> <p>Whilst scrutiny committees are politically balanced and have public agendas and meetings (unless confidential or exempt information is discussed), there are no such requirements for working groups. Therefore, it is for the Authority to decide whether Scrutiny Task Groups should be politically balanced and to what extent their work and proceedings would be made public (taking in to account freedom of information principles).</p> <p>Contact officer: Peter Lewis, peter.lewis@tewkesbury.gov.uk, 01684 272012</p>
<p>HR implications (including learning and organisational development)</p>	<p>As outlined in Section 5, the new arrangements will provide the opportunity for members to be involved in specific scrutiny task groups, with the opportunity to develop the necessary skills and expertise. This may have training and development implications.</p> <p>The need for officer support for the new arrangements is recognised, however it needs to be noted that the council has no dedicated scrutiny officers (as is the case in larger authorities). Members involved will need to actively participate in the work of the task group.</p> <p>It is envisaged that the proposed arrangements will enable the Council’s finite resources to be used effectively way, for example reducing some of the duplication of effort involved in current arrangements, and as priorities change, support resources can be redirected. Officer and member capacity to support the new arrangements will need to be monitored and reviewed to ensure it delivers the envisaged benefits.</p> <p>The new arrangements will need to be fully communicated in particular those who support and are regularly engaged with scrutiny.</p> <p>Contact officer: Amanda Attfield amanda.attfield@cheltenham.gov.uk 01242 264186</p>
<p>Key risks</p>	<p>These are set out in Appendix 1.</p>

Corporate and community plan Implications	An effective overview and scrutiny process can contribute to positive outcomes on any of the objectives in the Corporate Strategy. Increased public involvement in Overview and Scrutiny, which will be facilitated by the new arrangements, will support the corporate objective 'Our residents enjoy a strong sense of community and are involved in resolving local issues'.
Environmental and climate change implications	None

1. Background

- 1.1 Cheltenham Borough Council established its scrutiny function in November 2001, with three new committees being formed in October 2002 to mirror the new corporate structure at that time. These committees were the Economy and Business Improvement (EBI), Environment and Social and Community Overview and Scrutiny Committees and they have remained in place since that time.
- 1.2 A review of scrutiny was carried out in 2004 and again in 2006 and despite a number of recommendations being implemented, there has continued to be a perception amongst officers and members that the overview and scrutiny function is not operating as effectively as it could be.
- 1.3 In May 2011, the Group Leaders asked the Chief Executive to consider whether the current arrangements for scrutiny within the Council would be effective with the move to become a commissioning council. They agreed that a review should be carried out to identify what changes needed to be made, in time for their implementation following the borough elections in May 2012.
- 1.4 The final project brief was agreed in July 2011 with the following objective:

'To ensure an effective scrutiny process operates in Cheltenham Borough Council which supports commissioning and achieves positive outcomes for the town'

An emphasis was made in the brief that the new scrutiny arrangements should focus on outputs rather than inputs, that is achieving positive outcomes for the town. This was in line with the council's philosophy on commissioning.

The project brief gave a strong steer that members and officers were generally supportive of a move away from the current three committee structure to a more simple structure based on one committee and task and finish groups.

2. The aims of overview and scrutiny

- 2.1 Overview and Scrutiny aims to
- support the Council in achieving its vision and delivery of its Corporate Strategy
 - promote open and transparent decision-making, democratic accountability and to hold the Cabinet to account for its actions
 - achieve positive outcomes for the people of Cheltenham by monitoring and challenging service delivery to ensure it meets customer needs and encourage innovation and good practice
- 2.2 It will support the four principles of effective scrutiny advocated by the Centre for Public Scrutiny:
- Provides "critical friend" challenge to Executive policy makers and decision makers
 - Enables the voice and concerns of the public and its communities

- Is carried out by 'independent minded' governors who lead and own the scrutiny process
 - Drives improvement in public services
- 2.3** In this report the term "overview and scrutiny" is frequently abbreviated to "scrutiny" and some explanation may be helpful as a definition was requested in the workshops.
- 2.4** When overview and scrutiny was first introduced, **overview** was often referred to as policy review. It seeks to involve itself before a decision is made, to bring information and ideas to the table to help improve decision making. It gave Members a role in policy and decision making far earlier than had previously been possible. It also involves monitoring of on-going actions to ensure they are delivering the intended and best outcomes. Similarly a definition of scrutiny was defined. The **scrutiny** of decisions takes place after decisions have been made. It is an opportunity to question why the course of action was taken, and if necessary propose an alternative. Decisions can be monitored over a longer period of time to ensure that the intended outcomes are realised. In its strongest form it can stop a decision being implemented until it has been scrutinised using a mechanism called "call-in".
- 2.5** The latest views on the distinction between the two functions was checked with the Centre for Public Scrutiny who produce many guides and research papers for scrutiny. The view of their senior advisor was that it is a "*slightly artificial distinction because in reality things tend to work rather more like a continuum between the two. Separating them out also risks that you lose track of the necessary links between the two concepts. There's some value in defining what the two are, but really it's more important to get an idea of what it is for you, in your authority. There's no archetypal "best structure" for committees, or scrutiny more generally. I am not sure that a comprehensive definition is therefore necessary, or indeed possible beyond the general definitions*" (given above).

3. Method of approach

- 3.1** Councillor Penny Hall was appointed Project Sponsor, and Councillor Colin Hay as Cabinet Member Corporate Services was acknowledged as a key stakeholder for the review which was managed by the Democratic Services Manager. The Strategic Cross Party Members Group whilst still in existence, acted as a sounding board for the review to ensure the commissioning requirements were met.
- 3.2** The aim of the review was to involve a wide cross-section of members and officers and so all members, managers and other officers involved in scrutiny were invited to participate. A total of 22 members and 22 officers and 1 co-optee have contributed.
- 3.3** The review was informed by a variety of sources to enable a view to be formed on what matters are being scrutinised and how effectively this is being done. The sources of information included:
- An analysis of the items on scrutiny agendas over a 12 month period starting from June 2010 by source, type and outcome.
 - A scrutiny questionnaire sent to all members, officers and co-optees in August 2011.
 - The Democratic Services Manager worked with the scrutiny team at Gloucestershire County Council to run a workshop at the Democratic and Member Services network meeting on 30 September to identify examples of best practice from other councils.
 - Research on the web to look at other councils' approach to scrutiny.
 - A workshop with officers involved in commissioning (12 September 2011) to consider the potential impact of commissioning on overview and scrutiny.
 - An interactive workshop with members and officers involved in the scrutiny process in October to review the results of the fact finding stage and offer suggestions for the future.
 - A second workshop in November with officers and members to discuss the proposed new arrangements and identify outstanding issues and further work needed.

4. Information Gathering Phase

4.1 Scrutiny Questionnaire

- 4.1.1 The questionnaire was sent to all members, the Senior Leadership Team, Service Managers and co-optees. 20 responses were received from members, 11 from officers and 1 from one of our 2 co-optees. Responses were analysed and are summarised in Appendix 2.

Results showed that 65% of members who responded thought that overview and scrutiny could be operating more effectively. 50% of members responding thought the size and structure of scrutiny needed reviewing as well as the agenda for scrutiny meetings and reports. These responses confirmed the need and appetite for a review of the scrutiny arrangements.

The results to the questionnaire also provided a valuable source of comments from members and officers and these were used to validate the new proposed arrangements.

4.2 Analysis of overview and scrutiny committee agendas over a 12 month period

- 4.3 All the scrutiny items on the agendas of all three O&S committees between the period July 2010 and the end of June 2011 were recorded on a spreadsheet. Each topic was classified by its derivation, for example was it a matter that had been referred by Cabinet, was it an item on the Cabinet Forward plan or had it been requested by the committee. Similarly it was classified by type, for example was it on the agenda for consultation, performance management or simply to inform members of the committee. Finally they were classified by outcome or what actually happened as a result of the agenda item.

- 4.4 The results of this analysis are best illustrated pictorially in the charts contained in Appendix 3.

- 4.5 The highlights were as follows:

- Each O&S committees currently deal with approximately 20 to 25 separate agenda items each year and typically at least 4 at any one meeting.
- Very few topics are due to external requests from the public.
- EBI has the highest proportion of performance management and pre-decision scrutiny of items coming up on the Cabinet agenda. This would be expected due to the overarching nature of the committee and its remit.
- Environment and Social and Community committees have a higher proportion of consultation type scrutiny but a much larger proportion of their agenda is taken up with items designed to inform and update the committee.

In terms of outcomes, the findings were the most significant in terms of the future focus of scrutiny on positive outcomes:

- 50% of all items on the scrutiny agenda result in the committee being informed but have no specific outcomes in terms of actions or recommendations
- 21% of items resulted in the Cabinet being requested to note comments of the committee
- 14% of items deal with recommendations from working groups which are then forwarded to Cabinet
- In the last 12 months there have been no examples where the scrutiny committee itself, as opposed to a working group, tabled a report to Cabinet on any issue with a set of recommendations.

An important point was highlighted during the workshops, that although there may be no specific recommendations arising from a discussion, officers and Cabinet will take note of the comments and this may often influence the report they then subsequently present to Cabinet for a decision.

4.6 Autumn workshops with members and officers

- 4.6.1 A workshop was held on 12 September with a group of officers involved in the commissioning

process together with officers from One Legal. This identified the need for the overview and scrutiny to be defined in the corporate governance arrangements for any commissioned service. It also noted the variety of options for setting up a commissioning arrangement and therefore any scrutiny arrangements would need to be flexible enough to accommodate these variations.

- 4.6.2** Two workshops were held on 6 October and 24 October and were attended by members and officers. The sessions provided the opportunity to review the results of the agenda analysis and questionnaire and went on to discuss the groups' ideas for change.

Key issues raised were:

- officer induction/mentoring in scrutiny
- timing of pre-decision scrutiny
- making clear recommendations to Cabinet
- style of reports and the introduction of them at meetings
- how to keep members informed without overloading the scrutiny agenda
- ensuring O&S has a place in new governance arrangements
- getting the public more involved in scrutiny
- raising awareness of individual members role in proposing items for the scrutiny agenda
- task and finish groups were an effective way of progressing issues in depth

- 4.6.3** The results of the questionnaire and the feedback in the workshops, appeared to confirm the initial steer for the new arrangements being centred on a single overview and scrutiny committee and task and finish groups. On this basis the new arrangements were worked up into a blueprint for scrutiny which was presented to members and officers in two further workshops on 16 November.

- 4.6.4** In total 16 members and 13 officers attended one or more of the workshops. The issues raised were used to identify areas for further work which were followed up in time for this report or listed for follow up next year.

4.7 Experience of other authorities

- 4.7.1** In Gloucestershire, there is a wealth of experience of scrutiny arrangements. Gloucestershire County Council adopted the approach of a Scrutiny Management Committee, meeting bimonthly, with other standing committees supported by a scrutiny team of five officers. Forest of Dean have recently adopted a similar approach with a single overarching committee, meeting monthly, and standing panels. Gloucester City also adopted a similar structure in May 2009. As part of the review we consulted with officers from these councils to seek their views.

- 4.7.2** One significant piece of advice from the county was to set up the overarching committee to meet bimonthly as monthly was too frequent. They advocated diarising monthly slots which could be used if necessary and building more flexibility into the arrangements so that agreement could be sought outside the formal meeting. For example the county has a protocol in place which enables an urgent task group to be set up by officers in consultation with the three lead members on the Scrutiny Management Committee and then ratified at the next formal meeting.

- 4.7.3** The Democratic Services Manager worked with the scrutiny team at Gloucestershire County Council to run a workshop at the Democratic and Member Services network meeting on 30 September to identify examples for best practice from other councils. In particular we were keen to see what changes councils going down the commissioning route had made to their scrutiny arrangements.

- 4.7.4** The results confirmed a view that was already forming, that the principles of overview and scrutiny applied equally whether a service was in-house or provided by a third party or partnership. The only difference was in the approach and protocols must be agreed upfront when dealing with providers outside the council and clear terms of reference set for any review.

- 4.7.5** Another significant issue raised by the other councils, is that they have all taken steps to avoid items for purely updating coming to the scrutiny agenda. Whilst acknowledging the importance of

keeping members updated, alternative methods were used such as briefing notes attached to the agenda or electronic circulation of information.

5. Proposed new scrutiny arrangements

5.1 The proposed new arrangements for scrutiny are designed to provide a flexible and responsive framework to support effective overview and scrutiny, particularly as the council moves forward to becoming a commissioning council. It will ensure that members have the opportunity to get involved in scrutiny task groups where they have a particular interest and members have the opportunity to develop the necessary skills and expertise. The need for strong officer support is recognised and the new structure enables the limited resources available to be used in the most effective way and moved within the structure as priorities change. A diagram of the proposed new arrangements are illustrated in Appendix 4.1.

5.2 A lot of the detail will be worked out between now and the implementation in May 2012 but at this stage, Council is being asked to approve the key principles of the new arrangements which are set out below.

5.3 Key principles

From May 2012, the current 3 O&S committees will be disbanded and replaced with a single Overview and Scrutiny Committee and task and finish groups as set out below

The Overview and Scrutiny Committee (OSC)

5.4 The Overview and Scrutiny Committee is responsible to co-ordinating the scrutiny function. It can carry out scrutiny in its own right but typically will set up smaller task groups to carry out more in depth work. It also ensures the scrutiny arrangements are operating effectively, follows up the implementation of recommendations, maintains quality and promotes good practice.

5.5 It will ensure its own agenda does not get overloaded which would prevent it from being effective in its role, by being selective and making full use of tasks groups.

5.6 The Overview and Scrutiny Committee (OSC) is made up of non-executive members and is politically balanced. It is chaired by a member from a party not forming part of the ruling administration and will be a similar size to one of the current O&S committees. The vice chair would be from a member of the ruling administration and a lead member from other political groups would be appointed to promote cross party agreement.

5.7 Two of those members will be the council's representatives on the Gloucestershire Health and Overview and Scrutiny Committee (GHOSC) and the Gloucestershire Crime and Disorder Overview and Scrutiny Committee (and the new Police and Crime Panel when it is set up) as this will facilitate effective two-way communication in receiving updates and feeding back potential topics for scrutiny to those groups.

5.8 The OSC may wish to co-opt individuals to participate in the work of the committee when carrying out scrutiny of a particular topic but co-optees are more likely to be appointed to scrutiny task groups where they have a particular knowledge of, or expertise in the topic being considered.

5.9 The committee will be supported by officers from Democratic Services and a lead officer would be nominated from the management team.

5.10 It is intended that the OSC would meet bi-monthly but initially may meet monthly until it is up and running effectively.

Terms of Reference

5.11 These will be refined during the next phase but the terms of reference would be based on the following:

- to agree the scrutiny workplan taking into account corporate priorities and available officer resources

- to establish time-limited scrutiny task groups (STGs) to carry out in-depth reviews of a particular issue, setting the high level terms of reference at the start
- to nominate members to Cabinet working groups when representatives from scrutiny are requested
- to receive recommendations from scrutiny task groups and forward to Cabinet or the appropriate body (this may for example be a commissioning board)
- to act as an interface with the Cabinet, receiving requests from Cabinet for assistance, clarifying issues on the forward plan and questioning Cabinet Members
- to decide how to deal with call-ins and decide appropriate action which may involve establishing a scrutiny task group
- to receive any councillor calls for action and petitions referred to scrutiny and decide appropriate action
- to receive and comment on major policy issues such as the Corporate Strategy
- as requested, to assist with; consideration of proposals for commissioning services, scrutiny of commissioned services where agreed performance is not being delivered (see appendix 4.2)
- to scrutinise the major programmes of work within the Council and ensure they have robust business cases and benefits are subsequently realised
- to monitor the implementation of any scrutiny recommendations accepted by the Cabinet or other bodies
- to promote good practice for O&S across the council
- to promote the development of member skills and competencies in scrutiny
- to participate in joint scrutiny with other authorities and work with other authorities in Gloucestershire to strengthen the scrutiny role via the Gloucestershire scrutiny group
- to ensure the O&S function uses officer resource effectively and liaise with Executive Board on any concerns regarding officers support
- to deal with any crime and disorder matters (under new legislation the council must nominate an O&S committee to deal with these matters)

Scrutiny Task Groups

- 5.12** A scrutiny task group is a task and finish group set up to carry out an in-depth scrutiny review on a particular issue as identified by the OSC. The membership will be appointed by the OSC and it will receive its terms of reference from the OSC and normally reports its recommendations back to the main committee at the end of the review. In some cases it may be directed by the OSC to report its recommendations directly to Cabinet or another body.
- 5.13** The OSC will appoint a member to lead each scrutiny task group and agree other members in consultation with the group leaders and taking account of member interests and areas of expertise. This is where the recently completed Member Skills Audit can be utilised. The members will be selected from the pool of non-executive members i.e they do not have to be members of the OSC but clearly at least one member of the OSC will facilitate communication between OSC and the task group. Officers will normally be included in the membership in a support or advisory role. This process can be completed outside of the OSC if necessary using a similar protocol to the one adopted by the county described in paragraph 4.7.2.
- 5.14** The OSC must also consider officers resource and other resources needed to support the task group and agree this with the appropriate directors.
- 5.15** The OSC will define the high level terms of reference for the task group and receive the

recommendations of the scrutiny task group unless it is specifically stated in the terms of reference that the group should report directly to Cabinet or another body.

- 5.16** Each task group will be supported by an officer who will be nominated when the group is set up in consultation with the Director of Commissioning. The officer may be from the service area or from a project team. They will be responsible for arranging meetings, taking notes, inviting attendees, liaising with appropriate parties and assisting members in producing reports of their findings. Members should be aware that in adopting this structure, the council has no dedicated scrutiny officers to devote to this task as would be the case in a larger authority such as Gloucestershire County who have a team of five officers to support their scrutiny work. Therefore there must be a focus on members actively participating in the work of the task group and helping themselves.
- 5.17** It is not envisaged that there would be more than four task groups operating at any one time and it would aim to complete its work usually within 6 months but exceptionally no longer than a year. There may be a requirement to set up some task groups on a standing basis.
- 5.18** Scrutiny task groups are not formal committees of Council and therefore they do not have to follow strict procedural rules or be politically balanced; however they should always aim to have cross-party representation. Similarly they are not obliged to hold their meetings in public or conform to the statutory requirements for the publication of agendas and minutes. Nevertheless, all task groups will seek to be transparent in their operation and seek to involve the public at all key stages in order to deliver on the Authority's ethos of transparency and public accountability and to comply with the principles of freedom of information. There will be some occasions when information or meetings should properly be dealt with in private but these should be, so far as possible, kept to a minimum. The frequency of meetings will be determined by the task group.
- 5.19** The group may include co-optees which can either be appointed by the OSC when a task group is set up or the task group may decide to bring one or more co-optees onto the group during the course of the review. Normally co-optees would be brought in for their particular knowledge or expertise in the subject of the review.
- 5.20** There was some discussion at the workshops regarding the path of the resulting recommendations. The consensus was that they should go back to the OSC before being passed on to Cabinet. This will enable OSC to keep track of the scrutiny workplan and maintain consistency and quality control. It would also provide an important stage in the democratic process where reports would be published on the web and discussed in public at a formal committee with the powers to carry out the overview and scrutiny functions. It is not envisaged that the OSC would challenge the substance of the recommendations on the basis that it is the scrutiny task group has carried out the detailed work in coming up with its recommendations. The OSC would be more concerned with reviewing the outcomes against the original terms of reference which they had set the task group.

Terms of Reference

- 5.21** The scrutiny task group will be responsible for:
- ensuring it has a full understanding of the terms of reference and defining the scope and constraints of the review and seeking clarification where necessary
 - planning its method of approach for the review including identifying any resources it requires
 - calling appropriate witnesses and receiving information
 - drafting scrutiny reports and forwarding its recommendations as appropriate
 - receiving feedback on their recommendations and subsequent follow up as appropriate

The Budget Working Group (BWG)

- 5.22** The Budget Working Group was set up by Council in 2010 as a result of the economic crisis and

increasing pressures on the council's financial resources. The group aims to ensure that members work collectively, accepting political differences, on solutions to the budget gap. The working group's role is to develop the budget process, support the development of Members' scrutiny role and to consider ideas from Members for reducing the budget gap.

- 5.23** The BWG is made up of 6 non-executive members from across all parties but is not politically balanced. Although it is carrying it an overview and scrutiny function, the Cabinet Member Finance is usually present by invitation to answer questions and provide their detailed knowledge. It meets 6 times per year.

Terms of Reference

- To consider options for bridging the funding gap i.e. proposals for charging or reduction in expenditure and help formulate the budget proposals and MTFS
- To review the work programme for commissioning and options being considered
- To develop members' scrutiny skills and understanding of financial matters to enable them to review and challenge areas of the budget
- To develop the approach to budget consultation

- 5.24** Other bodies are shown in the structure illustrated in Appendix 4.1 to demonstrate their links with O&S. These include the Cabinet Advisory Groups, the Treasury Management Panel and the Asset Management Working Group. The current commissioning member working groups would fall into this category.

Keeping Members informed

- 5.25** Under the new arrangements it will not be feasible for members to receive purely update reports at the single O&S meeting and therefore new ways must be found to keep all members up to speed. They will need to have this understanding before they can carry out effective scrutiny. This information may be communicated by member seminars, electronically or in paper copy and more thought will need to be given to this prior to implementation.

Member Culture and training and development

- 5.26** The successful operation of these new arrangements will also require a significant culture change across members and officers and this should not be underestimated. Members will need to adopt more innovative ways of working, find new ways of engaging with the public and enhance their questioning skills. Further training and development will be needed and this will be organised as part of the induction process following the elections in May 2012.

Officer Support

- 5.27** Ideally there would be dedicated scrutiny officers to support the OSC and all the scrutiny task groups. Although this is the situation at the county council, in district councils it is more common that democracy officers support the scrutiny function alongside the other roles. Particularly in the current time of budgetary constraints, the emphasis on the new arrangements must be to optimise utilisation of our current officer resources.
- 5.28** Currently officers from Democratic Services each support one of the three O&S committees. As well as the administration of the meetings, this support includes working with the chair and vice-chair to maintain the committee's workplan and briefing and liaising with the relevant officers and Cabinet Members to organise their input to meetings. Democratic Services also support the budget working group. Any task groups set up are typically supported by an officer from the relevant service area who organise the task group meetings and work with members to produce their report.

- 5.29** Under the new arrangements, it is proposed that Democratic Services would support the Overview and Scrutiny Committee. This would involve administrative support for the meeting, maintenance of the workplan, follow-up of recommendations and a co-ordinating role of all the scrutiny activity. It is envisaged that the Democracy Officer allocated to this role could spend as much time as the officer currently supporting Cabinet on ongoing basis. There will be no Democratic resources freeing up from the new arrangements but existing resources will be redirected.
- 5.30** A lead officer will be required to support the O&S Committee. This could be a member of the Senior Leadership team and may require some additional input to that currently provided by the lead officer role to one of the existing committees in view of the level of activity.
- 5.31** Scrutiny Task Groups will continue to be supported by a lead officer. Where a project has been set up, this officer could be part of the project team. They will be responsible for administering the meetings and keeping relevant notes and documentation of meetings and guidance would be given by Democratic Services.

6. Budget implications

- 6.1** In the current budget climate this report has been written on the assumption that there are no additional officer resources available as set out in section 5.
- 6.2** Currently O&S has no dedicated budget. Members may wish to consider whether they wish to allocate a small budget to scrutiny in 2012/13 and future years. One area members are keen to pursue is public engagement in the scrutiny process. There will be a cost in taking meetings out to the public, publicity etc so members need to consider how this would be financed. One option would be to provide any necessary budget from the service area or project being scrutinised but this may be more difficult if is a commissioned service.

7. Next Steps

- 7.1** As set out in the recommendations, all areas of the scrutiny arrangements will need to be developed in time for the implementation in May 2012. This would include the constitutional changes, consideration of members allowances, development of induction for officers and members and protocols and guides.

8. Alternative options considered

- 8.1** As set out in the report.

9. Consultation and feedback

- 9.1** All members and officers and co-optees were invited to participate in the review and a wide range of feedback was received and incorporated into the conclusions.

10. Performance management –monitoring and review

- 10.1** The progress of the new arrangements for overview and scrutiny will continue to be monitored by the Director Commissioning, the Project Sponsor, Councillor Penny Hall and the Cabinet Member Corporate Services, Councillor Colin Hay.

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Appendices	<ol style="list-style-type: none">1. Risk Assessment2. Summary of the results of the questionnaire3. Results of the analysis of scrutiny agendas4. Proposed structure for new arrangements<ul style="list-style-type: none">- diagram of new structure- diagram of O&S links with a commissioned service
Background information	

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-4	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If any new arrangements are not supported by a change in culture across members and officers they may not be successful in delivering the outcomes required,	Director Commissioning	27/9/11	3	3	9	Reduce	Get members and officers buy in during the review by seeking their views and ideas. Seek advice on cultural change during the next phase.	31/05/2012	Director Commissioning	
	If the council cannot appoint dedicated scrutiny officers to support the new arrangements they will not be fully effective.	Director Commissioning	1/12/11	3	3	9	Reduce	Optimise the use of existing resources in the new arrangements	31/05/2012	Director Commissioning	
	If the task groups operate outside of the democratic process, then scrutiny could become disjointed and progress difficult to control	Director Commissioning	1/12/11	3	3	9	Accept	Guidance to officers supporting task groups on keeping documentation and reporting back to Democratic	31/12/2012	Director Commissioning	

	and track.							services.			
	If members do not put themselves forward for task groups the workload could be unevenly shared across members and be a source of potential conflict or result in task groups not having the right skill mix.	Groups Leaders	1/12/11	3	3	9	Reduce	Utilise the skills audit Group Leaders to manage, monitor and encourage participation Task groups to maintain records of attendance			
	If scrutiny does not have any dedicated budget it will be difficult to promote public involvement and engagement	Council	1/12/11	2	3	6	Reduce	Utilise relevant project budgets Consider allocating small budget to O&S as part of budget round			

Explanatory notes

Impact – an assessment of the impact if the risk occurs on a scale of 1-4 (4 being the greatest impact)

Likelihood – how likely is it that the risk will occur on a scale of 1-6 (6 being most likely)

Impact Description	Impact score	Probability	Likelihood Description	Likelihood Score
Negligible	1	0% - 5%	Almost impossible	1
Marginal	2	5% - 15%	Very low	2
Major	3	15% - 30%	Low	3
Critical	4	30% - 60%	Significant	4
		60% - 90%	High	5

			> 90%	Very high	6
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Control - Either: Reduce / Accept / Transfer to 3rd party / Close