

**Report of Scrutiny Officer**

**Report to General Purposes Committee**

**Date: 9 May 2012**

**Subject: Constitutional amendments – Scrutiny arrangements**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

- 1 This report contains proposals to amend the constitution, following the annual review of scrutiny arrangements by the Scrutiny Officer.
- 2 The Scrutiny Officer proposes amendments to existing arrangements, including Scrutiny Boards' terms of reference, to facilitate scrutiny of key partnerships.
- 3 Other proposed amendments follow legislative changes, or result from the review of executive decision-making procedures carried out by the Director of Resources and the City Solicitor.
- 4 The Scrutiny Officer proposes a number of unrelated minor amendments, including those resulting from a proposal to remove three Scrutiny Board guidance notes from the constitution.

**Recommendations**

- 5 General Purposes Committee is asked to consider the proposals contained in this report and recommend full Council to:
  - endorse the proposal to remove guidance notes from the constitution (relating to inquiry selection criteria; minority reports; and equality and diversity / cohesion and integration issues); and
  - approve

- revised terms of reference for Scrutiny Boards, as set out in appendices 1-6 of this report;
- revised Scrutiny Board Procedure Rules, as set out in appendix 7 of this report;
- revised Article 6 as set out in appendix 8 of this report.

## 1 Purpose of this report

- 1.1 This report proposes amendments to the authority's scrutiny arrangements, following an annual review by the Scrutiny Officer.

## 2 Background information

- 2.1 Each year, the Scrutiny Officer conducts a review of scrutiny arrangements to ensure that they are fit for purpose. This year, the focus of the review has been to facilitate **scrutiny of key partnerships** in which the Council is involved. As a result, the Scrutiny Officer proposes amendments to the Scrutiny Boards' terms of reference, and a number of other minor amendments to the arrangements, for clarification.
- 2.2 The **Localism Act 2011** has amended statutory provisions relating to scrutiny arrangements within the Local Government Act 2000. Scrutiny arrangements therefore need to be updated to reflect these legislative changes, and to reflect regulations issued in relation to flood risk management scrutiny arrangements.
- 2.3 As detailed elsewhere on this agenda, the Director of Resources and the City Solicitor have recently reviewed the authority's executive decision making framework, to clarify accountability and simplify procedures. The resulting proposal to consolidate decision making procedures into one set of rules impacts on the current Scrutiny Board Procedure Rules.

## 3 Main issues

### 3.1 Terms of Reference

- 3.1.1 Following the annual review last year, Scrutiny Boards' terms of reference were amended to align with key partnerships. The terms of reference also identified key topics for each Scrutiny Board to consider.
- 3.1.2 To facilitate the focus on partnership scrutiny, it is proposed that terms of reference do not include specific topics this year. Rather, it is proposed that all Scrutiny Boards act as a "critical friend" to relevant key partnerships, and are asked to question three main areas:
1. What contribution the Partnership Board is making to tackle poverty and inequality, and the progress being made against this?
  2. How successfully the Board's partnership arrangements are working?
  3. To what extent are significant benefits being seen from partnership working? How has partnership working ensured increased pace of change to address the issue in hand?
- 3.1.3 It is therefore proposed that the terms of reference are amended to specifically identify the key partnership for each Scrutiny Board to keep under review. This approach will provide the Council with an annual assessment from Scrutiny on all of the key partnerships. The Scrutiny Officer will work with the Head of Leeds

Initiative to draw up a review methodology to ensure consistency across all Scrutiny Boards.

- 3.1.4 It is also proposed to amend the terms of reference to identify the specific “Best city for ...” priorities within the City Priority Plan which each Scrutiny Board should review.
- 3.1.5 As well as this focus on partnership scrutiny, Scrutiny Boards have and will continue to challenge service directorates. For this purpose, Scrutiny Boards’ terms of reference are determined by reference to Directors’ delegations. The Scrutiny Officer has identified anomalies within the current terms of reference relating to these delegations, in terms of how they relate to the specific priorities for each Scrutiny Board to review, within the City Priority Plan. The Scrutiny Officer therefore proposes amendments to the terms of reference of the Scrutiny Boards for Sustainable Economy and Culture, Safer and Stronger Communities, and Resources and Council Services, and the replacement of the Scrutiny Board (Regeneration) with a Scrutiny Board (Housing and Regeneration). The proposals are to align the terms of reference for each Scrutiny Board as determined by the functions of each Director, with the priorities which it will review.
- 3.1.6 Proposed amendments to the terms of reference are set out in the attached appendices 1 – 6.

## 3.2 Scrutiny Board Procedure Rules

- 3.2.1 It is proposed to reflect the **focus on partnerships** within the Scrutiny Board Procedure Rules, by including a new requirement for the three questions set out above to form part of evidence gathering when undertaking relevant Inquiries. The questions may not always be applicable, but the process of asking the questions would be a good discipline. Appendix 7 to this report sets out proposed amendments to the Rules, with this new provision set out in Rule 10.
- 3.2.2 One change effected by the **Localism Act** relates to referral to a Scrutiny Board of matters by a Member who is not a member of that Board; “councillor calls to action”. Previously, the authority had to make arrangements to enable a Member to refer a “local government matter” relevant to the committee; now arrangements must enable Members to refer “any matter which is relevant to the functions of the committee and is not an excluded matter”. The provision is therefore wider, and reflected in proposed amendment to Rules 11.3,13.6 and 14.5.
- 3.2.3 The other principle change following the Localism Act relates to the authority’s powers to require a “partnership authority” to have regard to Scrutiny Board reports and recommendations. Previously, this could be required only if a report or recommendation related to a local improvement target. Now, this may be required when the report or recommendation relates to functions of a partner authority “so far as exercisable in relation to the authority’s area or the inhabitants of that area”. The provision is therefore wider, and this is reflected in proposed amendment to Rules 14.3 and 16.15.

- 3.2.4 In June 2011, a review of the Scrutiny Board Procedure **guidance notes** resulted in a number being removed from the constitution. The Scrutiny Officer has carried out a further review, and now identified that a further three lengthy separate guidance notes could be removed, provided that adequate referencing is made in the Rules to relevant issues.
- 3.2.5 The Scrutiny Officer therefore proposes that the guidance note for inquiry selection criteria; minority reports; and equality and diversity/cohesion and integration issues are removed from the constitution. Consequential amendments are proposed to Rules 12.2, 12.3, 13.5 and footnote 27.
- 3.2.6 New Rules 14.10, 14.11, 16.17 and 16.18 reflect legislation related to the scrutiny of flood risk management.
- 3.2.7 If full Council approve the **new Executive and Decision Making Procedure Rules** proposed elsewhere on this agenda, consequential amendments to the Scrutiny Board Procedure Rules will be needed. The proposed new Rules incorporate current Scrutiny Board Procedure Rules 18, 19 and 20 (executive decisions outside the budget and policy framework, key decisions not contained within the forward plan and call-in). These would, therefore, need to be deleted from the Scrutiny Board Procedure Rules.

### 3.3 Article 6

- 3.3.1 Proposed amendments to Article 6 (Scrutiny Boards) are set out in appendix 8 to this report. These reflect the amendments outlined above, including updates following legislative changes.

## 4 **Corporate Considerations**

### 4.1 **Consultation and Engagement**

- 4.1.1 The proposal to amend scrutiny arrangements to focus on partnerships is endorsed by the Head of Leeds Initiative.

### 4.2 **Equality and Diversity / Cohesion and Integration**

- 4.2.1 The suggested amendments will not have an impact on equality and diversity/cohesion and integration matters. Scrutiny Boards will continue to ensure, through service review that such issues are considered in decision making and policy formulation.

### 4.3 **Council policies and City Priorities**

- 4.3.1 The Council's Scrutiny arrangements are one of the key parts of the Council's governance arrangements. This review seeks to ensure that the arrangements continue to be efficient and relevant to the work of the Council and will contribute to the delivery of the Council's policies and City priorities.

### 4.4 **Resources and value for money**

- 4.4.1 This report has no specific resource and value for money implications.

## **4.5 Legal Implications, Access to Information and Call In**

4.5.1 The amendments proposed ensure that the authority's scrutiny arrangements reflect current legislation.

## **4.6 Risk Management**

4.6.1 This report has no risk management implications.

## **5 Conclusions**

5.1 This report proposes amendments to the authority's scrutiny arrangements, following an annual review by the Scrutiny Officer. The focus of the review this year has been on ensuring that the arrangements are fit for purposes in terms of reviewing and scrutinising key partnerships and progress made towards the authority's priorities, as set out in the City Priority Plan.

5.2 Revised Scrutiny Board terms of reference and procedure rules are proposed to ensure that all Scrutiny Boards act as a "critical friend" to the city's key partnerships, as well as reflect legislative changes. Scrutiny Boards will remain authorised to challenge service directorates.

## **6 Recommendations**

6.1 General Purposes Committee is asked to consider the proposals contained in this report, and recommend full Council to:

- endorse the proposal to remove guidance notes from the constitution (relating to inquiry selection criteria; minority reports; and equality and diversity/ cohesion and integration issues) and
- approve
  - revised terms of reference for Scrutiny Boards, as set out in appendices 1-6 of this report;
  - revised Scrutiny Board Procedure Rules, as set out in appendix 7 of this report;
  - revised Article 6 as set out in appendix 8 of this report.

## **7 Background documents<sup>1</sup>**

7.1 The Localism Act 2011

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<sup>1</sup> The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.