

Paul Hanson
Chief Executive
North Tyneside Council

Dear Paul,

Scrutiny Improvement Review – CfGS consultancy support

I am writing to thank you for inviting the Centre for Governance and Scrutiny (CfGS) to carry out an evaluation of North Tyneside Council's scrutiny function. This letter provides feedback on our review findings and offers suggestions on how the Council could develop its scrutiny process further.

As part of this feedback stage, we would like to facilitate a workshop with Members and Officers to reflect on this review and to discuss options for improvement.

Background

North Tyneside Council commissioned CfGS to advise and support its Elected Mayor, Members and Officers in the review of the Council's scrutiny function. The aim is to ensure that scrutiny is effective in delivering accountability, improving policy and decision making, and makes a quality contribution in the delivery of Council plans and overall improvement.

The Council has not undertaken a comprehensive review of its scrutiny arrangements for some time and has therefore instigated this review to check and test that scrutiny meets the Council's high expectations of democratic accountability, and that the interface of decision-making and scrutiny is effective and relevant.

North Tyneside's political structure is based on an Elected Mayor and Cabinet. The current scrutiny arrangements consist of an Overview, Scrutiny & Policy Development Committee, plus 7 sub-committees which are in effect scrutiny committees.

CfGS undertook a review of these scrutiny arrangements, involving evidence gathering through conversations with the Mayor, Members and Officers during 22nd-23rd March 2022. In addition, we observed recordings of scrutiny meetings and reviewed key documents on the Council's website.

CfGS met with elected Members and Officers, including the Mayor and Cabinet Members, Group Leaders, Scrutiny Chairs, Members of the Scrutiny Committees, the main Conservative Opposition Group, the Council's senior leadership team and officers supporting scrutiny.

The review was conducted by:

- Ian Parry – Head of Consultancy, Centre for Governance and Scrutiny
- Lisa Smart – Senior Consultant, Centre for Governance and Scrutiny

The findings and recommendations presented in this letter are intended to advise the Council on strengthening the quality of scrutiny activities, increasing the impact of its outputs, and through its Members, developing a strong and shared understanding of the role and capability of the scrutiny function.

Summary of findings

1. Scrutiny has the conditions for success

The conditions for successful scrutiny are clearly present at North Tyneside; there is a shared understanding from Members and Officers that good governance involves scrutiny, and when used effectively, scrutiny can add value to decision-making. All of those interviewed believed that improvements are needed to make scrutiny more effective and to add greater value.

Members recognise the benefits of change and improvement and this presents a good opportunity for the Council to refresh the way in which scrutiny operates. Change could aim to elevate the status of scrutiny, so that it is recognised as a strategic function and is used as a resource to support continuous council improvement.

It is also important to note that this review has the support of the Mayor and Chief Executive, who both expressed a strong desire to support scrutiny and confirm that its role is central to open, transparent decision-making and accountability in the council. We therefore would stress that this confirmation and buy-in at the most senior political and officer level is crucial to improvement and therefore highly valued.

Our review identified a number of positive indicators for scrutiny, most notably; the positive attitude and commitment of Members and Officers, the mature cross-party working in the scrutiny context, the overall capacity and range of experience of Members as well as the strong belief that more could be achieved. The council has a strong cohort of committed councillors across the council and is therefore in a good position to progress. There were other positive behaviours and practices which this report will also highlight.

The commitment of Members and Officers to this review and the ambition to drive improvement in scrutiny was further indicated by virtually complete attendance of those who were invited to meet with the CfGS review team. We appreciated this high level of participation and everyone's constructive contributions in interviews and discussions. The review team were impressed by this high level of commitment.

We therefore commend the Council and its Members and Officers for their professional approach to scrutiny and to this improvement review.

2. Officer support and organisational culture

We were reassured by the Council's senior leadership team's commitment to properly supporting scrutiny. Our conversations with Members were positive about the assistance they received from Officers who support scrutiny and were overall satisfied that support meets their basic needs. However, we suggest that support and expertise is not consistent and therefore within the Council's resource constraints, ways to strengthen this should be explored.

Organisational culture was also identified as foundational in improving the quality of scrutiny, and it was noted that scrutiny mainly operated in space that was generally free from adversarial political activity and was largely collegiate. The Council's ability to effectively carry out day to day business, as well as to confidently plan for the future, rests on the strength of organisational culture. This includes but is not limited to:

- Mutual respect between Members – within the context of robust political debate and disagreement, and Members respecting Officers as professionals;

- Members and Officers understanding their mutual roles and responsibilities – in the most basic sense, that Councillors lead on strategy and overall direction, while Officers lead on delivery and implementation.

These cultural aspects above are present at North Tyneside, but more could be done to engage earlier with Cabinet Members to help shape and improve through early constructive challenge. Furthermore, there is a real opportunity for Scrutiny to be better aligned with core corporate plans of the council.

We would also like to note that we felt that additional senior, specialist officer support would provide greater capacity for scrutiny to develop. The previous longstanding statutory scrutiny officer retired from the Authority in December 2021, and at the time of our onsite work, a replacement had not yet been appointed.

3. Clarity on scrutiny's role and responsibilities

Scrutiny's overall role is; to hold the Mayor and Cabinet (Executive) to account, to carry out policy development, contribute to improved decision-making, and channel the voice of the public. A good scrutiny function is one that provides robust, effective challenge. But equally, is recognised and valued as a positive influencer of policy and key decision-making through constructive challenge, positive enquiry, and quality insight.

Through our evidence gathering, Members involved in scrutiny could articulate the role that scrutiny should play in being an integral part of the council's governance structure and contributing to the council's budgetary and policy making function. However, some Members seemed to be unclear on how exactly scrutiny should be holding the Mayor and Cabinet to account. We heard that meetings could spend a lot of time focusing on officer presentations and less time in discussion and scrutiny mode.

In practice, the strategic challenge of Cabinet Members needs to be strengthened. Within meetings, we found that scrutiny tends to focus on Officers and Officer reports. Arrangements could be enhanced to facilitate an exploration of current policy with Cabinet members, or decisions where Scrutiny can play a valuable role in shaping and improving.

It is essential that scrutiny meetings do not become classrooms for learning and information updates, but remain focused on the scrutiny task, challenge, and improvement.

Scrutiny needs to recognise its role and responsibility in holding the Mayor and Cabinet Members to account, ensuring questions are directed to the relevant Cabinet Member and are linked to clear priorities. Scrutiny's success is measured by the impact it has on positively shaping and improving policy and key decisions.

The Mayor and Cabinet and Scrutiny both want to see more emphasis on shaping policy, challenging, and holding to account. Therefore, Scrutiny will need earlier access to and involvement with the core policy and decision-making activities of the Executive. Our discussions concluded that the Mayor, Cabinet Members and Scrutiny all recognise and agree that greater collaboration and engagement would be strongly beneficial.

In our conversations, we heard a lack of shared understanding about the roles and responsibilities of co-opted members of scrutiny. The council's constitution lays this out and so bringing all relevant people's understanding to the same point would be useful.

We recommend:

- **A clearer focus on democratic accountability** - Scrutiny of the Mayor and Cabinet Members should form a key part of the work plan, and the Mayor and Cabinet Members regularly attending scrutiny to answer questions on items falling within their portfolio responsibilities is vital.
- **More emphasis on scrutiny as a vital part of Council business and governance** - With clear council-wide ownership and understanding of its important role in improving policy and holding to account.
- **A shared understanding of the role and responsibilities of co-opted members** - With the relevant section of the council's constitution being refreshed if necessary.

4. Collaborative approach to scrutiny

Scrutiny is the forum for the evidence-based discussion about issues affecting local people where challenge is welcomed and encouraged. Members told us that they felt that adversarial politics was not a strong feature of Scrutiny, although there are instances of where politics can turn up.

In any democratic institution, there will be differences of opinion and disagreement about policy and decisions - this should be recognised as normal and regarded as democratic exchange and policy differentiation. However, if Scrutiny encounters become too politically charged or adversarial this can diminish mutual trust and respect and lead to defensive and negative outcomes, rather than resulting in creative and useful exchanges.

We heard that proactive engagement between Scrutiny and the Executive could be improved both before and during Scrutiny meetings.

There is also mixed level of engagement from those who sit on Scrutiny, with some Members showing minimal levels of involvement within committee meetings. Engagement, contributions, and challenge from all Members of Scrutiny is essential if individual Members wish to have an influence on shaping decisions, and if Scrutiny is to fulfil its role in being a space for cross-party inquiry. This not only requires attendance, but background preparation for the meeting.

We recommend:

- **Developing regular communication and information sharing so that Scrutiny can be a resource that can inform Executive decision making.** This could be achieved through holding triangulation meetings between Scrutiny Chairs, Cabinet Members, and relevant Directors to consider future issues and the part which scrutiny could play in testing and shaping these forward plans. It would also present an opportunity to share and discuss opportunities to involve scrutiny as an improvement asset.
- **Cross-party working could be further strengthened at North Tyneside.** There was a broad agreement that all Members have a duty to uphold their responsibilities as a scrutineer, attend meetings and work towards a shared goal in their committee. Members should consider what further work is necessary to address working relationships.

5. Scrutiny's focus and workplan

There is a recognition that Scrutiny at North Tyneside needs to focus on more strategic issues, where it can have influence, and that Scrutiny should input into the decision-making process at an earlier stage than it does currently.

Scrutiny has a tendency to be more retrospective, rather than forward looking. It is important that scrutiny carries out reviews and assesses performance, but there is a missed opportunity for it to add value to council policy and strategy through greater emphasis on the big challenges and opportunities ahead for the Borough.

The Council's corporate plan should direct Scrutiny's focus, but business does not always seem to be aligned with either the Council's overall priorities, the 3-month rolling programme of Elected Mayor and Cabinet decisions or with pressing corporate performance or risks and challenges - when topics are reviewed the focus can lean towards operational rather than strategic or outcome focused.

Task and finish style working was cited as some of the most successful examples of scrutiny by Members, where it has selected key issues to scrutinise and to explore. These could be further improved if Scrutiny focused on making compelling, quality recommendations based on its activity.

Regarding budget and finance scrutiny, this is an area that councils often ponder – when and how should scrutiny be involved in the budget process. Officers reported to us that in North Tyneside Council there is a laid out approach to budget scrutiny in the Constitution undertaken by the Overview, Scrutiny and Policy Development Committee, but members involved in the various scrutiny panels did not report being involved in this scrutiny, something they would welcome more. In high performing councils, budget proposals come before the relevant scrutiny committees thereby ensuring that those members most familiar with that area of the councils work can add value to the scrutiny process.

The Finance Scrutiny panel was reported to us as though it is a detailed budget monitoring committee, focusing on the past rather than plans for the future. We see the value added in other councils by looking at future, emerging and potential future risk issues - scrutinising the pressures, risks assumptions and budget gaps at a much earlier stage. This means that Scrutiny may need to refocus its attention on the future challenges and operating environment of the council. It may also mean that scrutiny will need more support, officer time, development, and information to equip it for this task.

Work planning is key to ensuring Scrutiny stays focussed on strategic issues where it can make an impact, whilst making the best use of time and resources. From our conversations we noted that many Members felt that they have little opportunity to influence work plans, and the way that issues are prioritised. North Tyneside's Scrutiny function may need to consider how it organises its work plans in a way that is led by all Members of the committees in order to have ownership over committee activity.

It is important to emphasise that work planning is an ongoing process and not just a one-off event. Whilst a workshop will help identify priorities and provide structure to work for the months ahead, there will need to be flexibility in the work plan and time set aside to regularly revisit the relevance of topics in meetings as the local context changes.

We recommend:

- **Review the process for developing work plans for each scrutiny committee -** Engaging Members, Officers, partners, and the public to prioritise the topics for review. This process should be led by Members of the Committees and could include a selection criteria to identify appropriate topics for the work plan. We would recommend bringing discussion of the work plan to the beginning of meetings, so emerging or changing priorities can benefit from considered discussion.
- **A review of the current approach to financial scrutiny and MTFS/ budget scrutiny - and the scrutiny of commercial arrangements.** We have produced guidance on financial scrutiny with CIPFA¹, setting out scrutiny activity to complement the Council's annual financial cycle. The guide suggests ways to move budget and finance scrutiny forward by different approaches, moving beyond the review of regular financial performance scorecards.

6. Scrutiny committee structure and scheduling

Increasingly councils are working with fewer scrutiny committees, even large councils like North Tyneside. The current relatively large committee structure may be a factor when considering improvement. More committees do not necessarily offer high output, value, or productivity.

There is evidence that when scrutiny focuses on fewer things of greater importance, more is achieved. The 'less is more' maxim can readily be found in quality scrutiny.

We suggest that fewer committees with more members may offer more scope for concentrated scrutiny activity both in committee, in task and finish activity and other set-piece activity. Additional tasks for lead Members of scrutiny could be found in chairing task groups etc and larger committees may offer more and broader member experience.

In high performing councils we have worked with, we have seen different committee structures work well. There isn't "one size fits all" but we have seen committee remits aligned with cabinet portfolios (typically a couple of portfolios per committee), aligned with council directorates (possibly People, Place, Corporate) and North Tyneside Council could choose a structure that fits its priorities and its aims.

We would like to raise the opportunity to obtain greater value from task and finish groups or alternative formats of scrutiny.

We were told about several successful examples of task and finish group work. Scrutiny could benefit from further use of task and finish groups or spotlight events where single issues of major importance to the Council or community can be considered and explored in greater detail. This can add significant impact and quality to scrutiny activity. But T&F must be clearly scoped, resourced, time-limited and with clear objectives to be useful and effective.

Task and finish style working is often where scrutiny can do its best work by focussing on a single issue and drilling down to provide clear analysis to inform policy making. North Tyneside councillors get this, but in practice the scoping and delivery of task and finish can suffer from unclear objective setting and 'mission drift'.

We suggest that additional thought and planning is given to scoping, objective setting, inclusion of the Executive and timescales. Other forms of specific, single-issue scrutiny can be considered as

¹ CfGS & CIPFA (2020) 'Financial scrutiny, practice guide' - https://www.cfgs.org.uk/wp-content/uploads/Financial-scrutiny-practice-guide_proof3.pdf

useful to the way North Tyneside focuses on key issues. These can include; Spotlight Sessions (1 item scrutiny meetings) and Inquiry days (1 day longer scrutiny to involve interest groups and evidence providers).

We recommend:

- **A review of the scrutiny committee structure** – with a view to consolidating the work of scrutiny into fewer committees with a coordination committee to bring together Chairs/Vice Chairs.
- **Consider extending the use of task and finish group work – or alternative scrutiny arrangements** – To ensure the most effective use of time and resources and to deliver maximum impact.

7. Scrutiny's output and impact

Overall, the general view is that Scrutiny does a good job. However, when asked more specifically about Scrutiny's output and impact, most Members and Officers found it difficult to point to consistent work that has made a real difference, or tracking recommendations that have been accepted and implemented.

Substantive items were considered by Scrutiny committees, but the conclusion of the discussion did not always have an articulated outcome or recommendation. Otherwise, Scrutiny business could be seen as solely for the purpose of obtaining information or to obtain updates. The practice of reports being presented 'to note', or inviting speakers only to share information, should be avoided.

Committee agendas can become overburdened and even cluttered with too many items, particularly items that scrutiny can add little value or are for information. Scrutiny should not be viewed as an approval process.

We observed and were advised by Members that agendas can be overly managed by officers which may also contribute to large agendas.

Scrutiny must be clear in its purpose to add value to the issue or subject being considered. If scrutiny cannot add value, then arguably the subject should not reach the agenda. As a matter of general principle, items for information or updates could be shared with Members as briefing notes outside of committee, leaving more capacity for constructive activity.

An effective scrutiny function should be able to review recommendations in six- or twelve-months' time to see that the outcomes have made a difference or added value. Improving systems to monitor the Executive's response and implementation of recommendations that have been accepted will help track scrutiny's outcomes and Councillors' perceptions on the effectiveness of work.

When members of the Executive and senior Officers are asked to attend, Scrutiny Committees would benefit from being clear about what the aims and objectives are of the session (including clarity over the content of any reports and presentations). Through our recommendation of establishing pre-meetings in the next section, this can also improve Scrutiny's impact by allowing the space to create a shared understanding and trying to discuss beforehand what

recommendations the committee might make on the day, and how the Executive might respond to them.

In carrying out 'external' scrutiny work, it is important to ensure that scrutiny has a clear focus on objectives and is able to influence outcomes concerning the topic discussed.

We recommend:

- **Changing the way that information is provided to scrutiny Members for oversight -** Cut back on the number of items coming to scrutiny solely for information, and consider how information on the following matters could be shared with councillors on a monthly basis outside of committee:
 - Performance, finance and risk information for council services and those operated by partners;
 - Information about complaints handling;
 - The schedule of key decisions;
 - Details of any major council consultation carried out and their results, and consultations proposed to be carried out;
 - Information on external oversight – data produced by the external auditor and any form of inspection to which council services might be subject.
- **Reviewing how the recommendations are made and how impact is measured –** This could include putting a 'recommendations monitoring report' at the beginning of agendas to orientate scrutiny towards outcomes-focused meetings, alongside an emphasis on finding strong recommendations from questioning, to present to the Executive as improvement or challenge proposals.

8. Chairing, member development and meeting preparation

Scrutiny's success is dependent on the right Members, with the right capabilities and attributes, leading and managing the scrutiny function. Scrutiny Chairs have a vital task in leading the committee, ensuring that it builds and maintains strong relationships with the Executive, Officers and relevant external partners.

Chairs can also lead on setting the working culture of scrutiny, helping it to set and uphold high standards of behaviour, engagement and debate, ensuring good cross-party working. The lack of opposition Members involved in scrutiny chairing roles was raised as an issue in our evidence gathering. Although there is no single 'right' approach to selecting chairs - the emphasis ought to be on selecting chairs based on skill set and capability and providing ongoing training and support.

Scrutiny provides an excellent opportunity to support Members in getting an in-depth understanding of issues across the Council's services. To get the most out of scrutiny, Members need a clear sense of what is required of them as committee Members and the work involved which allows good scrutiny to happen.

Many Members were unsure of how to achieve impactful scrutiny, some were also open about a lack of understanding about the specific areas they are asked to scrutinise. Members felt that more briefings to provide them with core knowledge, especially on more complex or technical issues would be welcome and equip them better as scrutineers.

We heard that the quality of questioning in scrutiny varies; in some instances, it is forensic and probing, but it is often more general and exploratory and sometimes superficial. North Tyneside is

clearly committed to Member development, and training was raised by some Members who were clearly aware of the gaps in their knowledge and understanding.

From the recordings of committee meetings there is little evidence of co-ordinated questions or Members acting as a team with clear lines of inquiry. Pre-meetings could allow Members to give voice to their objectives for meetings and allow mutual motivations to be understood and questioning strategies to be agreed. It is likely that differences will remain and will in some cases be significant, but the airing of these differences will make it easier for Members to understand where consensus is possible.

We recommend:

- **More skills development support is offered for the key roles of Chair and Vice-Chair** – To provide them with the confidence they need in leading the scrutiny function.
- **Consider mandatory scrutiny development and training for all committee members** - To develop a common understanding of what “good” scrutiny practice looks like.
- **Providing additional briefing or expert involvement as required** - To assist scrutiny members in becoming more capable to develop questioning strategies that will deliver high-impact and value-adding scrutiny.
- **Cross-party pre-meetings for scrutiny committees should be established** - With a specific focus on identifying priorities and Members working together to develop lines of enquiry so that recommendations are more likely.

9. Public engagement

Scrutiny should explore and experiment with ways to allow greater access, openness and involvement with the public. This could include scrutiny going on more site visits in the community, inviting the public to offer ideas for work plans, and greater use of social media channels for resident input and communicating the progress and impact of scrutiny work.

Thank you and acknowledgements

We would like to thank the Chairs, Members of the Scrutiny Committees, Mayor and Cabinet Members and Officers who took part in interviews for their time, insight and open views.

Yours sincerely,

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