



Brighton & Hove
City Council

Overview & Scrutiny

Title:	Overview & Scrutiny Commission
Date:	1 February 2011
Time:	2.00pm
Venue	Council Chamber, Hove Town Hall
Members:	Councillors: Mitchell (Chairman), Pidgeon (Deputy Chairman), Bennett, Cobb, Elgood, Kennedy, Morgan, Older, Peltzer Dunn, Wakefield-Jarrett and Meadows
Contact:	Tom Hook Head of Overview & Scrutiny 29-1110 tom.hook@brighton-hove.gov.uk

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AGENDA

Part One	Page
56. PROCEDURAL BUSINESS	1 - 2
57. MINUTES OF THE MEETING HELD ON 14 DECEMBER 2010	3 - 12
58. CHAIRS COMMUNICATIONS	
59. PUBLIC QUESTIONS/ LETTERS FROM COUNCILLORS/REFERRALS FROM COMMITTEES/NOTICES OF MOTION REFERRED FROM COUNCIL	
60. SCRUTINY OF BUDGET PROPOSALS; A) BUDGET STRATEGY REPORT TO 9 DECEMBER 2010 CABINET; B) MINUTES OF O&S COMMITTEES; AND C)CVSF RESPONSE	
Report of the Strategic Director Resources (to follow)	
<i>Contact Officer: Tom Hook</i>	<i>Tel: 29-1110</i>
<i>Ward Affected: All Wards</i>	
61. INTELLIGENT COMMISSIONING	
Verbal Update	
62. FUTURE OF SCRUTINY; REPORT TO GOVERNANCE COMMITTEE	13 - 20
Report of the Strategic Director Resources	
<i>Contact Officer: Tom Hook</i>	<i>Tel: 29-1110</i>
<i>Ward Affected: All Wards</i>	
63. CITY PERFORMANCE PLAN AND BHCC ORGANISATIONAL HEALTH REPORT	
Verbal Update	
64. SCRUTINY WORK PLAN	21 - 26
65. ITEMS TO GO FORWARD TO CABINET MEMBER, CABINET OR FULL COUNCIL	

OVERVIEW & SCRUTINY COMMISSION

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For further details and general enquiries about this meeting contact Mary van Beinum, Overview & Scrutiny Support Officer, (29-1062, email mary.vanbeinum@brighton-hove.gov.uk) or email scrutiny@brighton-hove.gov.uk

Date of Publication - Monday, 24 January 2011

Agenda Item 56

A. Declaration of Substitutes

Where a Member of the Commission is unable to attend a meeting for whatever reason, a substitute Member (who is not a Cabinet Member) may attend and speak and vote in their place for that meeting. Substitutes are not allowed on Scrutiny Select Committees or Scrutiny Panels.

The substitute Member shall be a Member of the Council drawn from the same political group as the Member who is unable to attend the meeting, and must not already be a Member of the Commission. The substitute Member must declare themselves as a substitute, and be minuted as such, at the beginning of the meeting or as soon as they arrive.

B. Declarations of Interest

- (1) To seek declarations of any personal or personal & prejudicial interests under Part 2 of the Code of Conduct for Members in relation to matters on the Agenda. Members who do declare such interests are required to clearly describe the nature of the interest.
- (2) A Member of the Overview and Scrutiny Commission, an Overview and Scrutiny Committee or a Select Committee has a prejudicial interest in any business at meeting of that Committee where –
 - (a) that business relates to a decision made (whether implemented or not) or action taken by the Executive or another of the Council's committees, sub-committees, joint committees or joint sub-committees; and
 - (b) at the time the decision was made or action was taken the Member was
 - (i) a Member of the Executive or that committee, sub-committee, joint committee or joint sub-committee and
 - (ii) was present when the decision was made or action taken.
- (3) If the interest is a prejudicial interest, the Code requires the Member concerned:-
 - (a) to leave the room or chamber where the meeting takes place while the item in respect of which the declaration is made is under consideration. [There are three exceptions to this rule which are set out at paragraph (4) below].
 - (b) not to exercise executive functions in relation to that business and
 - (c) not to seek improperly to influence a decision about that business.
- (4) The circumstances in which a Member who has declared a prejudicial interest is permitted to remain while the item in respect of which the interest has been declared is under consideration are:-

(a) for the purpose of making representations, answering questions or giving evidence relating to the item, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise, BUT the Member must leave immediately after he/she has made the representations, answered the questions, or given the evidence,

(b) if the Member has obtained a dispensation from the Standards Committee, or

(c) if the Member is the Leader or a Cabinet Member and has been required to attend before an Overview and Scrutiny Committee or Sub-Committee to answer questions.

C. Declaration of party whip

To seek declarations of the existence and nature of any party whip in relation to any matter on the Agenda as set out at paragraph 8 of the Overview and Scrutiny Ways of Working.

D. Exclusion of press and public

To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

NOTE: Any item appearing in Part 2 of the Agenda states in its heading the category under which the information disclosed in the report is confidential and therefore not available to the public.

A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls.

**BRIGHTON & HOVE CITY COUNCIL
OVERVIEW & SCRUTINY COMMISSION
4.00PM 14 DECEMBER 2010
COUNCIL CHAMBER, HOVE TOWN HALL
MINUTES**

Present: Councillors Mitchell (Chairman); Cobb, Elgood, Janio, Morgan, Mrs Norman, Older, Peltzer Dunn and Wakefield-Jarrett

Also Present; Councillors Jan Young and David Watkins

PART ONE

45. PROCEDURAL BUSINESS

45.1 The Chairman welcomed Mr Chris Todd, representative of the Community and Voluntary Sector as a temporary co-optee to the Commission for discussion on the budget.

45a Declarations of Substitutes

45.1 Councillor Ann Norma was substituting for Councillor Jayne Bennett. Councillor Tony Janio was substituting for Councillor Brian Pidgeon.

45b Declarations of Interests

There were none.

45c Declaration of Party Whip

There were none.

45d Exclusion of Press and Public

In accordance with section 100A(4) of the Local Government Act 1972, it was considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if members of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in section 100I (1) of the said Act.

45. RESOLVED: That the press and public be not excluded from the meeting.

46. MINUTES OF THE MEETING HELD ON 19 OCTOBER 2010

46.1 The minutes of the meeting held on 19 October were agreed and signed by the Chairman.

47. CHAIRS COMMUNICATIONS

47.1 There were none.

48. PUBLIC QUESTIONS/ LETTERS FROM COUNCILLORS/REFERRALS FROM COMMITTEES/NOTICES OF MOTION REFERRED FROM COUNCIL

48.1 There were none.

49. TARGETED BUDGET MANAGEMENT MONTH 6

49.1 The Director of Finance introduced the report on Targeted Budget Management, month 6, that had been presented to 9 December Cabinet. This showed an improved forecast position compared with Month 4, with a projected overspend on total council-controlled budgets of just £319,000, which could be viewed almost a breakeven position in the scale of the overall budget.

49.2 It was pleasing that there had been some continued improvements on the corporate critical budgets. The action plans to deal with overspends had been shown to make a significant difference, reducing for example the Environment Directorate overspend from £797,000 to £170,000 since the previous report/

49.3 Some significant overspends on Departmental budgets had been compensated for from savings on the Centrally Managed Budgets; for instance through contingencies put in place for pay awards that were not needed at this stage.

49.4 There had been no other major changes since Month 4. The TBM forecast for Month 9 would be crucial in the context of the overall budget-setting process.

49.5 Members heard answers to questions as follows:

a) Regarding Energy efficiency savings (page 22 of the agenda); what has been the progress for example on automatic meter readers (AMRs) in public libraries?

The Council anticipates making carbon and revenue savings and is exploring ways of keeping energy usage down and making savings in energy budgets to put back into energy efficiency in the next budget. Changes in prices of contracts and volumes of usage are complex. Further information would be provided on smart meters.

b) On the Collection Fund (agenda page 13); what is the effect of the contributory factors to the reduced Council Tax liability for 2010/2011?

The reduced liability is a significant factor for the Council's finances but is outside the Council's direct control. The Council Tax collection rate is on target for this year and it might be possible to improve slightly for next year.

c) In the Centrally Managed Budgets what is included in the 'Other Corporate Items' that show a 36.5% underspend?

Risk provision in the budget had been set aside centrally and was released to offset pressures elsewhere. These included for example £1.5million in risk provision for Learning Disabilities and £1.1 million for pay award compensation that was not needed.

49.6 **RESOLVED**; that the report be noted and additional information on AMRs be requested as minuted above at 49.5 (a).

50. BUDGET UPDATE AND BUDGET STRATEGIES 2011-2012

50.1 Councillor Mitchell the Commission Chairman said she had written to the Chief Executive asking for timely information on the whole budget proposals. She invited Cabinet Member for Finance Councillor Jan Young to introduce the Budget Update and Budget

Strategies 2011/2012 and reminded the meeting that Strategy and Governance and Finance were the main areas for OSC to scrutinise.

50.2 Councillor Young said the report was taken to 9 December Cabinet and this was an opportunity for OSC to scrutinise the work to date. Views from Scrutiny would be taken into account in preparing the 2011/2012 budget proposals for consideration by full Council on 3 March 2011.

50.3 This would be the first time there had been no increase in Council Tax and a £3million Council Tax freeze grant had been confirmed. Officers were analysing details of the final Local Government Settlement announced yesterday. Reductions in the formula grant for 2011/2012 were broadly as expected post- comprehensive spending review, and detailed planning for the third phase of the successful Value for Money programme was in hand.

50.4 Proposals were being developed for further savings of £10 - £20 million, for example by reviewing all contracts; bringing together services in the new Delivery Units and working closely with others to share costs, and protect staff whilst reducing expenditure.

50.5 Members asked questions and heard replies including from the Director of Finance:

a) What are the Council's total reserves?

Officers can send Members a link to the latest position for the end of March 2010. The current reserves are now being reviewed.

b) How does Systems thinking fit into budget-setting?

Systems thinking asks— is the Council's interaction with members of the public adding the right value and can this be done more efficiently? Systems thinking is not designed primarily to achieve savings but greater engagement with staff and service users should be able to improve efficiency for instance in housing benefit and potentially in other service areas.

c) How would Communities and Equalities work be affected by these proposals as there appear to be cuts in funding for Community Development workers?

This work has relied on short-term grant funding especially LPSA Reward Grant which has now ended. At present the assumption is that £250,000 of this funding would be replaced from core council budgets. A key budget principle is to protect as far as possible the contribution made by the community and voluntary sector. The effects of loss of short-term grant funding is an important area and is being analysed.

d) What discussions are happening with trades unions and what information is there on 'at-risk' staff ?

Discussions are continuing with Trades Union representatives in all departments and corporately.

e) Which grants are still ring fenced – for example will £800million announced nationally for short breaks for disabled children be used for this?

As regards specific grants the government is now generally removing ring fencing and very few grants will be left ring fenced. A new early intervention grant (which replaces previous funding streams) will not be ring-fenced. Officers are analysing the whole budget including formula grant, council tax and the few remaining ring-fenced grants to help advise Members in making choices on priorities. The Supporting People grant has been transferred to formula grant and at present it is expected to be protected. There are almost infinite combinations of options on which areas to protect, make savings or where to spend more.

f) Regarding a possible move to generally increase the length of contracts to 5 years – what is average length of contract now, and how many contracts have renewal clauses?

The Director set out the benefits and disadvantages of long term contracts and how contract are evaluated for renewal. She said contracts will be longer, where capital investment is sought such as private finance initiatives, and much shorter where flexibility is important.

g) Regarding Parking Services (agenda page 74) this report indicates savings of £90,000 from contract efficiencies, reduction in staffing levels and improved enforcement. How does this link with the approach to enforcement in the TBM report, item 49 (agenda page 25) which appears to cost over £500,000?

There is increased efficiency in enforcement but local authorities generally expected a reduction in penalty charge notices income as the schemes become established. Departmental officers would be asked for further information on approach to enforcement and ECSOSC may wish to have the matter referred to them.

h) How is the reimbursement for concessionary bus fares calculated (see agenda page 52)?

The budget assumes 5% additional spend in 2011/12. The reimbursement methodology had changed; the local bus companies had provided more data and some issues had now been raised with the Department of Transport.

i) Why are leaseholder service charges income budget set at a greater level than the actual charges? (agenda page 92)?

There are recent changes on how charges to leaseholders are calculated. Technical officers would be asked for a detailed reply and ASCHOC may wish to add this to their agenda.

k) Would it not make unnecessary work to track back the changes to the previous funding sources? Also as specific grants are not finalised yet, uninformed speculation is unhelpful.

Replying, the Cabinet Member said that the former specific grants were already known, but speculation was unhelpful until the full funding streams were clear.

l) What is the effect of the Council being on the grant floor when the specific grants are rolled into the formula grant?

The Head of Finance and Procurement said the formula grant is reducing by 13.3% so all grants rolled in are also reduced by that level unless specifically protected.

m) Why has there been a rise in the valuation of the pension fund compared with last year?

The investments have been performing better and there has been a move from a link from Retail Price Index to Consumer Price Index. It is hoped that the percentage valuation will continue to rise. The fund is performing around average in comparison with other local authorities and more information is readily available.

n) What evidence is there of the sustainability issues taken into account in developing budget proposals? Would like to see more evidence of the Equalities Impact Assessments of the budget proposals and consideration of impact on communities such as ethnic minority groups or the disabled and people affected by mental health issues who would also be affected by changes to the PCT.

Many of the proposals are covered by existing EIAs or being considered as part of a service redesign. Further work is in progress to combine the information as the proposals develop. High-level equalities screening and existing EIAs can be made available and these and sustainability issues can be drawn out in more detail at the O&S Committee meetings.

50.6 It was felt that using the Special Educational Needs DSG funding (agenda page 71) was a useful way to cover the statutory SEN assessment staffing cost savings.

50.7 The Chairman reminded the meeting that significant further savings would be needed and asked about the status of this report compared with the work still to be done. Councillor Mitchell asked how information could be tracked and presented to show how the budget was spent formerly and how it would be spent differently.

50.7 The Director said the report formed the first part of more work. It would be difficult to see what had happened to each individual grant to compare like with like. However the approach would be to show for each service area how the budget would change irrespective of the previous source(s) of the funding; what was formerly spent and what spending was now planned.

50.8 Chris Todd said community and voluntary sector (CVS) was pleased to have the opportunity to be at the Commission meeting and hold open discussions on the budget proposals. The CVS fully supported efficiency savings and value for money principles as set out in the report and protection of the CVS was also welcome.

50.9 He said the Equalities and Communities Team seemed to be required to make a much higher proportion of efficiency savings compared with other services (agenda page 85). Communities were especially important to protect. Cuts as proposed would be a false economy.

50.10 In his view the CVS delivered considerable value for money both in financial terms and in social capital. The CVS delivered services, especially preventative services that the Council or other bodies would otherwise have to pay more for.

50.11 The CVS could help deliver services differently and had a very important role to play working with the council and other public bodies especially in the current economic climate.

50.12 New contracts with service providers needed to be brought forward in conjunction with the service provider, such as being co-designed, co-produced to see what more could be provided for less money, and not based on cost savings alone he said.

50.13 Chris Todd stressed that Equalities impacts Assessments were important particularly for those in most need who had to access to a number of different services and so may well be disproportionately affected by reductions in a number of areas. He asked what was the role of communities in carrying out these assessments?

50.14 There was a potential role for asset transfer of various types depending on the circumstances, to the community and voluntary sector. He gave an example such as Castleham Industries supported employment services.

50.15 The Cabinet Member said the CVS was highly valued and championed especially by Councillor Dee Simson, Deputy Leader of the Council and Cabinet Member for Community Affairs, Inclusion and Internal Relations. She said close working with the voluntary sector was important for delivering services more efficiently. Asset transfers could be considered together with the voluntary sector.

50.16 The Chairman was pleased that equalities impact assessments, one of the main recommendations from scrutiny of the 2009-2010 budget proposals was being acted on and looked forward to receiving more information on the EIAs.

50.17 The Strategic Director, Resources said Resources had a dual role in making savings in their own areas and supporting other areas making their changes for example Human Resources and IT. It is therefore very important that any savings in Resource Teams are timed so as not to rush implementing changes across the Council. Consolidation, such as communications spend, would help drive out some costs through economies of scale. There was also a need to work more effectively and efficiently with partners across the city.

50.18 The Chairman thanked Councillor Young and the officer for speaking to the Commission.

50.19 RESOLVED 1) that the report be noted

2) That further information be requested as minuted above at 50.5(a), (g), (j) and (n)

3) That 1 February OSC receive comments from the O&S Committees to be incorporated into a single scrutiny response to the budget proposals.

51. SUMMARY OF OSC INTELLIGENT COMMISSIONING WORKSHOP HELD ON 7 DECEMBER 2010

51.1 The Head of Scrutiny referred to the notes of the 7 December OSC workshop on the three intelligent commissioning pilots; Drug-Related Deaths, Alcohol-Related Harm and Domestic Violence. Participants had previously received detailed needs assessment reports on each of the three areas, and copies of the presentation had been circulated to members who had been unable to attend. A second workshop would be arranged in the new year.

51.2 Comments would feed into these pilots and also into the needs assessment and service design process. Feedback would help shape scrutiny input into future commissioning cycles.

51.3 Commenting on the IC workshop Members said the technical information on the three needs assessments was very useful. However it was felt that there was too little time to read all the detailed information provided and that a précis would have helped. Clarification on the process and structure of the commissioning cycle, a look at some lessons learned, and background to scrutiny input would have been appreciated by some.

51.4 More time to ask questions during presentations would have been preferred and to this end it was agreed in future to request separate workshops for each subject.

51.5 Difficulties in obtaining data was noted and the Chairman said that the time taken to produce the needs assessments – in this case more than three months - should be taken into account for other areas of intelligent commissioning.

51.6 RESOLVED: (1) that Members' experience from the workshop be used to inform the current pilots and future intelligent commissioning processes.

(2) That a second workshop on the pilot areas be arranged for the New Year.

52. REPORT OF THE SCRUTINY PANEL ON THE SOCIETAL IMPACT OF THE IN-YEAR GRANT REDUCTIONS

52.1 Councillor Watkins Chairman of the Scrutiny Panel on the Societal Impact of the In-Year Grant Reductions introduced the Panel's report. The review had been completed in the shortest time of any review so far. He thanked the other two Panel members, Councillors Mitchell and Wakefield-Jarrett, the officers who gave evidence and scrutiny support.

52.2 Input to the scrutiny review from the Third Sector was very welcome and he was particularly grateful to the CEO of the Community and Voluntary Sector Forum for open and honest discussion with the Panel.

52.3 It was important to try to understand the process of making the decisions on budget reductions and although four former Directors were no longer with the Council, a timeline of the main events leading up to the decision had been provided. This appeared as Appendix A to the report.

52.4 The decisions on funding reductions had to be made quickly and it was difficult to see how the longer-term impact of the changed budgets would have been taken into account. Although the mid-year changes may be unlikely to happen again, the budget changes produced a 360 degree 'ripple effect' on the city and wider consideration of the potential impacts on society was needed in deciding on future reductions.

52.5 Councillor Mitchell emphasised that the evidence showed it was easier to find savings in areas where there was clear priority setting in advance and where there were good joint working relations with partners. The reductions were shown to be much more complex to manage where part of a service was contracted out.

52.6 Councillor Young said the Cabinet would consider a detailed reply in due course.

52.7 RESOLVED That the Scrutiny Panel report on the Societal Impact of the In-Year Budget Reductions be endorsed.

53. OVERVIEW AND SCRUTINY COMMISSION WORK PLAN

53.1 The work plan was noted.

54. ITEMS TO GO FORWARD TO CABINET MEMBER, CABINET OR FULL COUNCIL

54.1 The report of the Societal Impact of the In-Year Grant Reductions would be reported to the Executive.

55. HALF-YEARLY PROGRESS SUMMARY ON THE 2008-11 LOCAL AREA AGREEMENT AND Q2 ORGANISATIONAL HEALTH REPORT

55.1 The Chairman told the meeting that the half-Year Progress Summary on the 2008-2011 LAA 2010/11 and Q2 Organisational Health Report was a late paper not included on the OSC front agenda page and had been circulated as an addendum. It had been considered at 9 December Cabinet.

55.2 Paula Black the Head of Performance and Analysis explained that there would be one further, final report on the LAA at the end of year.

55.3 The Local Area Agreement (2008 – 2011), the set of indicators agreed with partners for monitoring and delivering over the three years, is now in its final year. Discussions with partners were in hand on what the City will have to replace the LAA.

55.4. There was an associated action plan and each indicator was owned by a partner or an internal team who was responsible to deliver improved performance. The Performance and Analysis team had a performance improvement role and also prompted, supported and collaborated with teams in providing monitoring data.

55.5 National government did not now require formal reporting but the data was still being collected for purposes of accountability and ownership of actions within the delivery plan. Some 1500 pieces of information are still required to be provided regularly; for example around safeguarding

55.6 The new national performance framework was likely to have more flexibility at local level.

55.7 The LAA had achieved a lot and officers and partners working in this area were to be congratulated. Some strengths included reduction of reported bullying in schools, helping vulnerable people to live independently and reducing fuel poverty. Areas that were off-track had action plans and activities in place.

55.8 The organisational health report was about the Council itself. Some Human Resources information was missing at present because of migration to a new system and data comparability issues.

55.9 Asked about the next steps in developing a local framework for performance accountability and monitoring, the Head of Performance and Analysis said that there were two pieces of work to be done; reporting and monitoring in the period immediately after March 2011 and then formulating what is needed across the city if there is to be commissioning and revised priorities across partners in the medium to longer term.

55.10 Members were concerned that it should be possible to track long term trends and heard that in some circumstances data could still be reported in ways which allowed tracking over a period of several years but this may not always be the case. Agreeing priorities for performance monitoring would be a key part of discussions with partners

55.11 Because there had been agreement on priorities with partners it had been agreed that the current LAA indicators would still be reported. However a new framework could be designed to be more streamlined, transparent and functional.

55.12 Asked about how intelligent commissioning would be performance monitored, the Head of Performance and Analysis said there would be two components: contract compliance and delivery – holding to account and financial accountability; and demonstrating the extent to which outcomes were being achieved

55.13 A number of indicators from the last quarter had not been reported due to the migration to the new HR system and change in organisational structure. Members asked that the information be forwarded to them when it was available.

55.14 Replying to a question on NI167 managing congestion, the Head of Performance and Analysis said that this was an error in the report and a correct figure would be provided. She invited Members to view the InterPlan system.

55.15 The Chairman thanked the officers and suggested that relevant sections of the performance report could be taken to the individual O&S Committees.

55.16 RESOLVED 1) that the information be noted
2) that additional information be requested as noted at 55.13 and 55.14 above and
3) that sections of the report be referred to O&S Committees if wished.

The meeting concluded at 5.35pm

Signed

Chair

Dated this

day of

OVERVIEW AND SCRUTINY COMMISSION

Agenda Item 62

Brighton & Hove City Council

Subject: Future of Overview & Scrutiny
Date of Meeting: 1 February 2011
Report of: Strategic Director, Resources
Contact Officer: Name: Tom Hook Tel: 29-1110
E-mail: tom.hook@brighton-hove.gov.uk
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The current scrutiny system was established in 2008 to operate within a directorate structure and is broadly comparable in terms of size, ways of working and configuration to other local authority's scrutiny functions.
- 1.2 Moves to the Intelligent Commissioning model, an increased prevalence of jointly commissioned/shared service delivery and legislative changes mean it is germane to consider how the current system could be improved.

2. RECOMMENDATION:

- 2.1 That the Commission agrees in principle the direction of travel as set out in the report and instructs officers to further develop proposals for a partnership based, commissioning friendly scrutiny function.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Partnership Based Scrutiny

- 3.1 With increasing focus on partnership working shared service delivery across the public, private and third sectors is becoming increasingly significant. The move to an Intelligent Commissioning¹ framework will only strengthen the importance of partnership working in the city.
- 3.2 It is therefore suggested that the authority considers moving towards a partnership based scrutiny function. This enhanced scrutiny function would ensure the council, with its democratic accountability, is better integrated into the decision making processes of all the city's key public sector organisations.

¹ Commissioning is the process of identifying strategic outcomes in relation to assessed user needs, and designing and securing appropriate services to deliver these outcomes. The commissioning cycle can be summed up as understand, plan, do, review. Scrutiny will relate to each stage in the cycle in a different way.

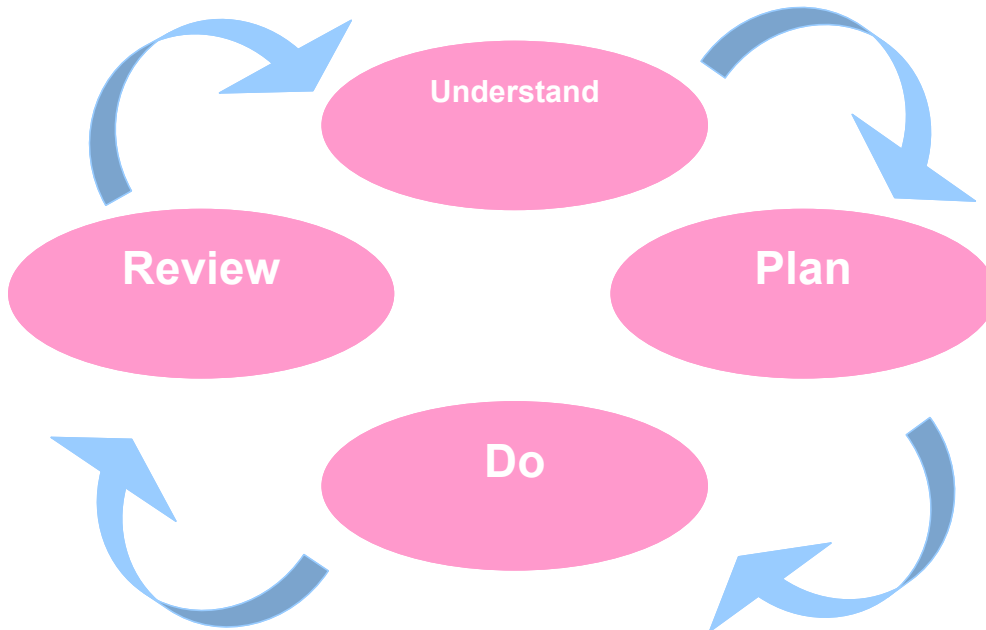
- 3.3 A Brighton & Hove partnership based scrutiny function could:
- Provide increased democratic accountability and input to all organisations within the city
 - Allow critical friend challenge to key decision makers and funding priorities
 - Review service provision in areas of weakness/priority areas for intervention
 - Act as a mechanism for innovative policy development
 - Provide a means for increased citizen and community involvement in decision making and service review
 - Offer a mechanism for independent review of issues of contention between organisations
- 3.4 In addition to Intelligent Commissioning a move to partnership based scrutiny is supported by a number of drivers:
- The findings of the 'Total Place' pilots that have highlighted the complexity of public service funding arrangements leading to inefficiencies and reductions in the effectiveness of services meeting resident's needs. HM Treasury's report into the Total Place pilots stated: *'Local authorities need strong scrutiny powers: including the ability to investigate and challenge, on behalf of their communities, those delivering local public services and spending public money in their area.'*
 - Anticipated reductions in funding for public service provision requiring closer partnership cooperation.
 - Legislative direction of travel, supporting a more integrated approach to scrutiny.
- 3.5 There already exists a protocol between the council's scrutiny function and Brighton & Hove's Strategic Partnership. Responding to the Local Government and Public Involvement in Health Act 2007 (LGPiH), this protocol recognised the need for co-operation between the Strategic Partnership and the development of overview and scrutiny work. The protocol sought to avoid duplication of effort and allows partners to request issues are reviewed by scrutiny.
- 3.6 The work being undertaken by scrutiny members considers some of the substantial cross-cutting issues that affect the city as a whole. Partners are involved in scoping panel topics, advising and supporting panels and as witnesses. The involvement of co-opted members sitting on panels, and in some cases chairing them has further helped develop links.
- 3.7 Consultation on an annual plan of scrutiny panels has been undertaken. In developing this plan, involvement of partner organisations (public, private and third sectors) has been sought. Ultimately there should be a degree of co-operation and co-ownership in regard to priorities of residents, partners, the council and the topics selected for scrutiny review.
- 3.8 Where specific issues arise scrutiny committees have been able to secure information and attendance from partner organisations, highlighting the strong partnership working that a new system could build upon.
- 3.9 Draft legislation has to date been silent as to the government's intent with regard to replacing scrutiny partnership powers relating to the LAA. Currently a number

of public sector organisations are required to provide information and evidence to scrutiny committees if requested under the LGPIH Act 2007.

- 3.10 Real value could be added through the use of an independent scrutiny function reviewing services and advocating improved working between partners. For example the Transfer of Care – the pathway for moving patients from hospital to community care involves a number of partners and is precisely the kind of area where partnership based scrutiny can add real value.
- 3.11 Another opportunity could be the budget scrutiny process; each organisation could bring their budgets proposals to the Scrutiny Board prior to final agreement in much the same way as occurred for the council budget during 2010/11. The Scrutiny Board would be able to look at the allocation of resources across the city, ensure strong synergy between the priorities of organisations and talk to all parties affected by changes to funding e.g. CVS re grant funding and the bus company re transport priorities.
- 3.12 There are a number of challenges that will need to be considered:
 - The determination of scrutiny reviews would be subject to peer review
 - Partners will need to appreciate the benefits of scrutiny if they are to really buy into the process and have decisions and services questioned
 - Increased involvement of non-elected members in the scrutiny process and acceptance of their role
 - Resources will have to be appropriate to the challenge
- 3.13 Buy-in from partners will be vital for this approach. This will include an understanding not just that scrutiny will look at some of the key high level outcomes that partners are signed up to, but that they will as a matter of course; proactively bring issues to scrutiny for pre-decision scrutiny. This will require significant cultural change for bodies external to the council.
- 3.14 Whilst it is reasonably easy to envisage a scrutiny function undertaking reviews of services or policy development at a strategic partnership level it is harder to see some of the more confrontational elements of the scrutiny system sitting well within the partnership.
- 3.15 Call-in well illustrates the point. In a partnership scrutiny system would it be possible for a decision of any participating organisation to be called in? Would non-council members of a scrutiny board be able to call-in a council decision? This could raise some interesting constitutional arguments with regards the legitimacy of councillors versus non-elected members.
- 3.16 In addition some of the reviews scrutiny has undertaken have been very council-centric. You could argue that looking at something like Dignity at Work (bullying and harassment at work) is organisationally specific. However there would be nothing to stop a review of bullying and harassment policies across the council, PCT, Police, etc. This would require a level of acceptance of the role of scrutiny beyond that of just looking at joint policies for service delivery.

Scrutiny and Intelligent Commissioning

- 3.17 Intelligent Commissioning will change the way in which scrutiny committees undertake work. There should be far more pre-decision input, with items being routed through scrutiny as part of their development. This kind of pre-decision scrutiny has been identified by the Secretary of State for Communities and Local Government, as good practice by local authorities.
- 3.18 The basic commissioning cycle offers opportunities for scrutiny to add value to the services the council and partners commission.



- **Stage 1 - Understanding**
The commissioning process presumes there should be a clear intelligence base upon which service provision is delivered. This intelligence base should be considered by Scrutiny to quality assure intelligence, ensure adequate community and stakeholder engagement and using its democratic accountability recommend priorities for consideration.
- **Stage 2 - Planning**
At this stage draft delivery plans should be brought to scrutiny and pre-decision scrutiny would look to ensure clear links between intelligence base and the proposed service/actions designed to meet the needs identified. Member comments would be utilised to further refine the proposed service provision and seek broad support for the allocation of resources. Members will also want to be satisfied that performance monitoring arrangements are adequate.
Bringing information to scrutiny at this stage would provide democratic input into the process prior to an Executive decision on allocating resources. This would also allow for citizen and community participation into the decision making process.

- **Stage 3 – Do (delivery)**
It is not anticipated that scrutiny would have involvement at this stage beyond general overview.
- **Stage 4 - Review**
Possibly the most significant role for scrutiny is in evaluating services commissioned and their impact on city outcomes. From a scrutiny point of view the commissioning cycle offers clear statements of need and intent. Scrutiny could consider:
 - Are services value for money?
 - Do interventions/services meet the needs of residents?
 - Have services resourced addressed the need identified?
 - How can services be improved or changed?

- 3.19 Intelligent Commissioning presents challenges for scrutiny in that panel work will need to be closely linked into the Commissioning Cycle. Detailed intervention into a policy area will need to be timed to ensure recommendations can feed into the next stage of commissioning.
- 3.20 This will require a high level of understanding amongst scrutiny practitioners of the commissioning cycle and focusing limited resources to the greatest effect.
- 3.21 Moves towards an annual priority list of scrutiny panels and consultation on these across the Council and with partners should help with this process.
- 3.22 If scrutiny's pre-decision role is established within IC it would be possible to redesign the existing arrangements and achieve better outcomes for the authority across the city.

Legislative Changes

- 3.23 In developing new ways of working it will be necessary to ensure that Government proposals for health and police accountability are taken into account and along with changes prescribed by the Localism Bill.
- 3.24 Changes put forward by the Government regarding health scrutiny provide an opportunity for considerable development. Along with the abolition of PCTs and a greatly enhanced commissioning role for GPs, HOSCs are set to enjoy increased responsibilities.
- 3.25 The Police Reform and Social Responsibility Bill sets out plans for directly elected Police and Crime Commissioners (PCC) and Police and Crime Panels (PCPs), consisting of Councillors from all local authorities within police authority area to support/challenge PCC. The Council is currently required to have a Crime and Disorder Scrutiny Committee (ECSOSC) which has powers to scrutinise the Safer Communities Partnership.
- 3.26 Essentially any new scrutiny function needs to ensure a more cross-cutting and strategic approach to work, dovetailing with intelligent commissioning agenda whilst enjoying a city-wide focus.

○ **Option 1:**

A single Scrutiny Board with themed sub-boards reporting to it. Each themed board would focus on an agreed set of LSP priorities for example:

- Health and Well-being
- Housing and Environment
- Communities and Culture
- Learning and Enterprise

Under this arrangement it would be possible to take the opportunity to reduce the number of standard meetings for each of the Boards, to minimise the treadmill effect that is not conducive to good scrutiny. Instead built into the commissioning cycle could be a requirement for engagement with scrutiny. This would allow for far greater use of single issue workshop review/policy development sessions.

○ **Option 2:**

A more radical option would be to have a single Scrutiny Board that manages the entire scrutiny agenda, but does no scrutiny itself. Rather establishing workshops, panel and task-and-finish groups to undertake specific pieces of work, the Board would include non-executive members from public sector partners and other co-opted members.

This approach could fit well with Intelligent Commissioning so long as Commissioners are clear on the requirement to engage with the scrutiny process at various points within the cycle.

4. CONSULTATION

- 4.1 Political Group Leaders have been consulted.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 There are no direct financial implications arising from the report. Any future recommendations for changes to the scrutiny function may have financial implications.

Legal Implications:

- 5.2 Under existing legislation, the Council is required to have one or more overview and scrutiny committees which must include provision for: (a) the planning, provision and operation of health services in the city; and (b) a Crime & Disorder Committee. Further, the council must designate one of its officers to be a 'scrutiny officer' to carry out functions such as promoting the role of overview and scrutiny, and to provide support and guidance to members and officers on O & S matters. Any proposals for changes to the scrutiny function will need to meet legislative requirements in force at the time.

Equalities Implications:

- 5.3 Changes to the scrutiny function will need to ensure that mechanisms exist to ensure that equality issues can be addressed. Currently six monthly updates on equality are reported to the Overview and Scrutiny Commission.

Sustainability Implications:

- 5.4 Changes to the scrutiny function will need to ensure that mechanisms exist to ensure that sustainability issues can be addressed.

Crime & Disorder Implications:

- 5.5 The Council is currently required to have a Crime and Disorder Scrutiny Committee. Any new arrangements will need to incorporate this requirement.

Risk and Opportunity Management Implications:

- 5.6 In developing more detailed proposals for changes to scrutiny a risk assessment of the various options will need to be considered.

Corporate / Citywide Implications:

- 5.7 A citywide, partnership based scrutiny function will add value to the city; improve decision-making and policy development across partners.

SUPPORTING DOCUMENTATION

Appendices:

None

Documents In Members' Rooms

None

Background Documents

None

Overview and Scrutiny Commission Work Plan 2010 - 2011

Issue	Overview & Scrutiny Activity	Outcome & Monitoring/Dates
16 March 2010		
Targeted Budget Management Month Nine	Ongoing budget monitoring	Replies to questions from Acting Assistant Director, Financial Services.
Council's Forward Plan	Report as requested at OSC 20 October 2009	Recommendations made to progress development of the Forward Plan.
Process to prioritise Scrutiny reviews	For agreement	Process agreed for scrutiny panel annual work programme.
Budget Scrutiny Feedback	To consider budget scrutiny process	Improved process welcomed and request for early information to be available for the 2011/12 budget.
27 April 2010		
Street Access Scrutiny Panel Report	OSC to endorse the report	Agreed. Referred to Executive.
Dignity at Work scrutiny panel report	OSC to endorse the report	Agreed. Passed to Governance Committee and referred to Executive.

Mandatory Development for Planning Committee	For approval to refer to Governance Committee	General support for the idea. Comments to be forwarded to Governance Committee.
Volunteering Strategy	For O&S Comment	Endorsed the strategy and made comments. Strategy scheduled to go to Cabinet.
Referral from HOSC	To determine whether or not to establish a Select Committee on alcohol-related hospital admissions	Agreed to establish a Select Committee to report back to OSC.
ASCHOSC Update	O&S Committee Chairs to update OSC on their work-programme and key issues	Noted work of the ASCHOSC.

8 June 2010

Creating a Council the City Deserves	OSC to comment	Chairman to write to the Chief Executive on behalf of OSC
Equalities 6-monthly update	Regular update	Questions on staff profile for older and younger workers, stolen Blue Badges and disabled access to park cafes and polling stations
Staff Disabilities Scrutiny Panel report	OSC to consider the report to endorse	Report referred to Cabinet for response
ECOSOC Update	Chair to provide update on work of the Committee	Suggestions for agreeing subjects for scrutiny

General Scrutiny Update	For noting and comment	Officer report on election processes requested for September meeting
20 July 2010		
Targeted Budget Management Outturn 2009/10	Ongoing budget monitoring	Report noted
TBM update and VFM progress report to 22 July Cabinet	OSC comments to be forwarded to Cabinet	Further information requested
In-Year Grant Reductions Report to 22 July Cabinet	OSC comments to be forwarded to Cabinet	Scrutiny Review established to investigate impact of grant reductions on communities including equalities impacts Current Equalities Impact Assessment of Connexions to be referred to CYPOSC
Climate Change Scrutiny Panel Report	OSC to consider the report for approval	Report endorsed and passed to Cabinet. Six-month progress report requested
Community Engagement Framework Update	OSC has a role in monitoring the Community Engagement Framework. First update	Information on good examples and reasons for poor practice asked for in next update
Annual complaints report	Provides background information which can be used to focus future scrutiny work	In the context of Intelligent Commissioning, learning on Repairs

		and Maintenance complaints to be forwarded to ASCHOSC
CTEOSC Update	CTEOSC Chairman to provide update on the work of the Committee	Noted the report
Dual Diagnosis Monitoring	Monitoring implementation to scrutiny panel recommendations	Progress in many areas welcomed and further 6 month update requested

7 September 2010

Election Processes	Presentation – Members to decide whether further work required.	Update on voter registration to be provided to Members
Dementia Select Committee	Select Committee report to be considered for approval.	Report approved
Annual Scrutiny Panel Work Programme	Consultation responses regarding panel topics. To agree priority list of panels for 2011/12.	Scrutiny panels agreed on A Living Wage, followed by Sharing of information on Vulnerable People
HOSC Update	HOSC Chairman to provide update on the work of the Committee	Information noted

19 October 2010

Discussion with the LSP Chairman	Part of Scrutiny/LSP protocol; update on LSP	Answers given to Members' questions and suggestions for closer working
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Intelligent Commissioning Pilots Update		IC Workshops to be organised for OSC
Review of discretionary rate relief for small businesses	Pre-decision input on three year review	Further information requested
Targeted Budget Management month 4	Ongoing budget monitoring	Further information requested
CYPOSC Update	Chairman to provide update on the work of the Committee	

14 December 2010		
Targeted Budget Management Second Quarter	Ongoing budget monitoring	Further information requested
Draft budget strategy following 9 December Cabinet	Scrutiny of Budget proposals	Questions answered and further information provided
Outcome of IC workshop and Report on Decision pathway	Pre-decision scrutiny of IC Pilots Needs assessments	Experience to be taken into account in pilots and future commissioning
Scrutiny Panel Report: Societal Impact of In-Year Grant Reductions	To endorse the Panel's report	Report agreed for forwarding to Cabinet for consideration

1 February 2011 2pm (Moved from 11 January 2011)

Budget Strategies		
Intelligent Commissioning		
Future of Scrutiny – report to Governance Committee		
Performance and Risk Management Framework		

5 April 2011 2pm . (1 March 2011 – Meeting Cancelled)

Targeted Budget Management Third Quarter	Ongoing budget monitoring	
Equalities Review – 6 monthly update		
Monitoring of scrutiny reviews: Climate Change and Staff Disabilities		
Living Wage to endorse		
Learning from IC Pilots		