

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF GOVERNANCE	AUDIT AND GOVERNANCE COMMITTEE	21 MAY 2024	7
OVERVIEW AND SCRUTINY: STATUTORY GUIDANCE			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of the Lead Member for Finance and Resources (Councillor Gaunt)

PURPOSE OF THE REPORT

To inform the Audit and Governance Committee about the recently updated statutory guidance on overview and scrutiny committees from the Department for Levelling Up, Housing and Communities, and to highlight key points and implications for the Council's scrutiny arrangements.

RECOVERABILITY

This decision is not recoverable because it relates to a recommendation to the council or to any other committee or sub-committee of the council.

RECOMMENDATION

1. Review the considerations in paragraphs 6 to 9 of the report and make recommendations to the council on how to implement the revised statutory guidance.

REPORT

BACKGROUND

1. Overview and scrutiny committees were introduced in 2000 as part of new executive governance arrangements in local authorities. Their primary role is to hold the executive to account for decisions and actions that affect local communities. (In a committee system like Fylde's, the guidance uses 'the executive' to mean councillors in leadership positions.) The requirement for councils to establish overview and scrutiny committees is set out in the Local Government Act 2000, as amended by subsequent legislation such as the Localism Act 2011.
2. The Government has long recognised the importance of effective scrutiny in ensuring efficient delivery of public services, driving improvements within authorities, and supporting good governance. However, scrutiny arrangements and their effectiveness have varied across different councils. To address this, the Government has issued [updated statutory guidance](#) on overview and scrutiny, which councils must have regard to when exercising their scrutiny functions. The guidance aims to increase understanding of the purpose of scrutiny,

what effective scrutiny looks like, how to conduct it effectively, and the benefits it can bring to local authorities and the communities they serve.

CONTENT OF GUIDANCE

3. The updated guidance places a strong emphasis on the importance of a positive organisational culture that welcomes challenge and recognises the value that effective scrutiny can bring to the authority. It outlines key traits of effective scrutiny, such as providing constructive 'critical friend' challenge, amplifying the voices and concerns of the public, being led by independent people who take responsibility for their role, and driving improvement in public services and strategic decision-making.
4. The guidance advises authorities to ensure early and regular engagement between the scrutiny function and the executive, while maintaining distinct roles and avoiding any attempt by the executive to exercise control over the work of scrutiny committees. It also stresses the need for adequate resourcing of the scrutiny function, including dedicated officer support, training for committee members to develop their skills and knowledge, and access to external expertise where needed.
5. The guidance provides comprehensive recommendations on selecting committee members, with a focus on their relevant experience, expertise, ability to act impartially, and capacity to serve effectively. It emphasises the importance of providing support and training for members to develop an independent mindset and avoid potential conflicts of interest, such as scrutinising decisions made by close friends or relatives. The guidance also advises on the selection of committee chairmen, highlighting the need for leadership skills, impartiality, and the ability to build teamwork and consensus among members.

CONSIDERATIONS FOR THE COUNCIL

6. The Council should undertake a comprehensive review of its existing scrutiny arrangements against the updated guidance, ensuring alignment with best practices and addressing any areas for improvement. This should involve evaluating the organisational culture and the extent to which scrutiny is valued and welcomed within the authority, as well as assessing the adequacy of resources and support provided to scrutiny members and officers.
7. Particular attention should be given to fostering a strong culture that values scrutiny as a critical function, recognising its legal and democratic legitimacy, and ensuring that scrutiny committees have a clear role and focus within the organisation. The Council should also review the level of engagement and interaction between scrutiny and the councillors in leadership positions, ensuring that the distinct roles are maintained while facilitating productive dialogue and cooperation.
8. The Council may also need to review its processes for selecting committee members, including considering how far the independence and impartiality of the scrutiny process is consistent with members of the Executive Committee also serving as scrutiny councillors. Any review might also consider how to ensure that the necessary skills, experience, and commitment are present, and that members are provided with appropriate training and support to develop their independence and impartiality. The selection and development of committee chairmen should be given particular consideration, given their crucial role in establishing the profile and ways of working of their respective committees.
9. In line with the guidance, the Council should consider developing or updating an executive-scrutiny protocol to manage disagreements and define the relationship between the parties. Such a protocol can help mitigate differences of opinion and provide a framework for constructive debate and dialogue, contributing to a healthy and productive scrutiny function.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

IMPLICATIONS	
Finance	No direct implications
Legal	Set out in the guidance and summarised in the report
Community Safety	An effective scrutiny function can enhance community safety
Human Rights and Equalities	No direct implications
Sustainability and Environmental Impact	No direct implications
Health & Safety and Risk Management	Effective scrutiny and risk management form complementary parts of the good governance in public bodies.

SUMMARY OF PREVIOUS DECISIONS
None

BACKGROUND PAPERS REVELANT TO THIS ITEM		
Name of document	Date	Where available for inspection
Overview and scrutiny: statutory guidance for councils, combined authorities and combined county authorities	22 April 2024	www.gov.uk/government/publications/overview-and-scrutiny-statutory-guidance-for-councils-combined-authorities-and-combined-county-authorities/overview-and-scrutiny-statutory-guidance-for-councils-combined-authorities-and-combined-county-authorities#annex3

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