

POLICY REVIEW 2011/12: DRAFT SCOPING REPORT**REPORT OF THE CHIEF EXECUTIVE****1. Purpose of Report**

- 1.1 The purpose of this report is to put forward proposals and seek agreement from Members in relation to the forthcoming policy review into the Council's approach to Self Regulation.

2. Background

- 2.1 At the meeting of Management Scrutiny Committee held on 16th June 2011, following discussions regarding the Work Programme, the Committee agreed to focus on the development of the Council's approach to self regulation and the role of the council's scrutiny function in supporting self regulation and improvement.

- 2.2 Members will be aware the Coalition Government is committed to replacing the burden of Whitehall oversight and inspection with greater local public transparency and accountability so that councils and other local public bodies can focus on frontline services. The Government has introduced a range of proposals and some of the changes in regulation already announced have included:

- Dismantling of the national performance management framework that covered councils including:
- the abolition of Comprehensive Area Assessment (CAA);
- the end of Local Area Agreements (LAAs);
- abolition of the Place Survey;
- the replacement of the National Indicator Set with a single, comprehensive list of all the data that local government is expected to provide to central Government;
- the end of annual ratings/performance assessments of adult social care and children's services.
- Disbanding of the Audit Commission

- 2.3 There are clear expectations from the government that the scaling back of inspection requires Council's to ensure that they are evidencing and providing assurance to stakeholders that they are delivering on priorities and outcomes. In the absence of significant external regulation and inspection and the government's commitment not to replace one layer of bureaucracy with another, the Local Government (LG) Group put forward proposals for sector-led self regulation and improvement which would be a replacement for the current top down inspectorate led performance management framework.

2.4 'Taking the Lead' (published in February 2011) sets out the LG Group's approach to how self regulation and improvement will work in practice. In doing so, the LG Group stresses that it is not setting out a prescribed system to be adopted by all local authorities recognising that it does not want to replace one burdensome national framework with another. However it does expect councils to take steps to enhance the way they are held accountable locally and to continue to support each other, particularly through the use of peers. The LG Group will provide approaches which will help councils to achieve each of these objectives, as well as ensuring inspection does not "creep back" by keeping an overview of sector performance and the wider regulatory regime.

2.5 Central to the new approach are the following two key principles:

- Local authorities are responsible for their own performance and for leading the delivery of improved outcomes for local people in their area
- Local authorities are accountable to their local communities. Stronger accountability through greater transparency helps local people drive further improvement

2.6 It is anticipated that councils will (where appropriate):

- Encourage resident feedback from a range of channels (e.g. councillor surgeries, surveys, complaints, comments and compliments, and mystery shopping)
- Use social media techniques to gather information
- Use deliberative techniques such as citizens juries and participatory budgeting
- Consult with the public on proposals that affect them
- Publish regular performance information so that the public can understand how well their council is meeting its objectives (e.g. annual report)
- Publish on-line all expenditure in line with national requirements, in a way that the public can understand
- Make use of the role of scrutiny to challenge and improve council and partner services
- Take stock of their own performance to identify areas for improvement and risks
- Make use of opportunities to be challenged by peers
- Seek and welcome support from the sector as and when required
- Develop elected members to fulfil their role in this new environment

2.7 The LG Group will support improvement by making tools available for the sector to use. The key tools available will be free at the point of use and paid for by councils through the RSG top slice. The LG Group's offer is summarised below:

- **Local accountability tools:** The LG Group will work with councils to develop tools to help them focus on enhancing the way they are locally accountable to citizens and communities.
- **Peer challenge:** The LG Group will offer a free of charge, peer challenge to all councils between April 2011 and March 2014. In addition, the LG Group will continue to offer shorter, sharper more subject-specific challenges. The price for these will be kept to a minimum.
- **Peer support:** The LG Group will offer up to five days of free member peer support for all councils undergoing a change of control. Experience shows that providing member peer support to a new political administration in a timely manner is welcomed and of great benefit to councils.
- **Knowledge hub:** The LG Group will invest (on behalf of the sector) in a new web-based service that will create a single window to improvement in local government. This will enable councils to learn from each other, who would otherwise find it difficult to find the time or find the right information. The Knowledge Hub will be a free service for the sector.
- **Data and transparency:** The LG Group will create a free of charge place within the Knowledge Hub for individual councils to lodge and access data in an open source environment to help them to understand their own performance and productivity, and act as a spur to optimise outcomes.
- **Leadership support:** The LG Group will continue to provide development support for political and managerial leaders.
- **Learning and support networks:** The LG Group will support networks of officers and councillors at national and sub-national levels, working with other sub-national groupings of councils and the relevant professional associations, to share good practice and to provide timely support.

2.8 This is a new and emerging national agenda which only came into effect in April 2011, and a number of the national tools are still at the development stage. Members will also be aware that the council already has in place a range of mechanisms and systems which support local transparency and accountability and it is proposed that as part of the Council's aim for continuous improvement the systems already in place will be further developed and be the subject of further reports and presentations to members.

2.9 However the offer does not tell councils what they should deliver or how it should be done. Instead, it is designed to help councils improve local accountability in ways which are most appropriate to them. One of the primary purposes of the review is therefore to raise Management Scrutiny Committee's awareness of this emerging agenda and how the current arrangements already in place across the council support achievement of self regulation and improvement. Members may wish to focus on one particular area identified in paragraph 2.6 or review the wider aspects of self regulation.

2.10 Effective scrutiny is a key component in supporting greater transparency and local accountability. By undertaking the review the Committee will also provide the opportunity to consider and shape how scrutiny supports self regulation within the council.

3. The Scrutiny Review Process

3.1 Scrutiny reviews will carry out a number of stages in undertaking and completing a review. The stages broadly are:

Stage 1 Scope The initial stage of the review identifies the background, issues, potential outcomes and timetable for the review.

Stage 2 Investigate The Committee gathers evidence using a variety of tools and techniques and arranges visits where appropriate.

Stage 3 Analyse The key trends and issues are highlighted from the evidence gathered by the Committee.

Stage 4 Clarify The Committee discusses and identifies the principal messages of the review from the work undertaken.

Stage 5 Recommend The Committee formulates and agrees realistic recommendations.

Stage 6 Report Draft and final reports are prepared based on the evidence, findings and recommendations.

Stage 7 Monitor The Committee monitors recommendations on a regularly agreed basis.

4. Overall Aim of the Scrutiny Policy Review

4.1 To look at the appropriateness and effectiveness of the Council's self regulation framework, and in particular how the scrutiny function can contribute to performance improvement.

5. Proposed Terms of Reference for the Scrutiny Policy Review

5.1 The following Terms of Reference for the policy review are proposed:-

(a) To understand the emerging self regulation agenda and how the council is responding ;

- (b) To look at the role of scrutiny in the Council's self regulation framework;
- (c) To consider what techniques the Council could use to provide accountability to, and engagement with the public and local communities in performance management issues, and;
- (d) To look at examples of good practice from across the region and country in relation to the policy review.

6. Potential Areas of Enquiry and Sources of Evidence

6.1 The Scrutiny Committee can invite a variety of people, key stakeholders and interested parties to provide written or oral evidence in order that a balanced and focused range of recommendations can be formulated. A list of potential witnesses, though not exhaustive, is included for Members information:

- (a) Relevant Cabinet Portfolio Holders;
- (b) Head of Performance Improvement;
- (c) Associate Lead for Performance and Improvement;
- (d) Head of Scrutiny and Area Arrangements;
- (e) The Local Government Group;
- (f) Centre for Public Scrutiny;
- (g) Members of the Public; and,
- (h) Local Authorities and/or organisations of good practice.

6.2 Community engagement plays a crucial role in the scrutiny process. Consideration will be given to how involvement can be structured in a way that the Committee encourages views of the public and wider community.

6.3 In addition, diversity issues have been considered in the background research for this enquiry under the Equality Standards for Local Government. As such the views of local diversity groups will be sought throughout the inquiry where felt appropriate and time allows.

7. Funding from the Dedicated Overview and Scrutiny Budget

7.1 Consideration has been given, through the background research for this scoping report of the need to use funding from the committee's dedicated Overview and Scrutiny budget to aid Members in their enquiry.

7.2 At this stage it is suggested that funding may be necessary to support the following activities:

- (a) Key witnesses;
- (b) Engagement with voluntary and statutory organisations;
- (c) General publicity;
- (d) Visits (as necessary) to deliver effective scrutiny; and
- (e) Task and Finish activities.

8. Proposed Timetable of the Scrutiny Investigation

8.1 The following scheduled meetings will include evidence gathering for the study:

Setting the Scene - September 2011

Evidence Gathering – September 2011 to January 2012

Consideration of Draft Final Report - February 2012

Consideration of Final Report by the Scrutiny Committee – March 2012

Consideration of Final Report by the Cabinet/Council- June 2012

(tentative date)

8.2 Additional working group meetings may be required to complete the evidence gathering.

9. Recommendations

9.1 Members are recommended to discuss and agree the scope of the Management Scrutiny Committee's policy review for 2011/12 as outlined in the report.

Background Papers

Taking the Lead: Self Regulation and Improvement in Local Government – Local Government Group

Taking the Lead – EMT Report

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