
Report to:	Governance and Audit Committee
Date:	27 November 2020
Subject:	Overview and Scrutiny Committee Update

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1. Purpose of this report

- 1.1 To update the Governance & Audit Committee on the work of the Overview & Scrutiny Committee so far in the 2020/21 municipal year.
- 1.2 To provide an overview of the work undertaken by the committee's Governance and Scrutiny Working Group and its proposals regarding new scrutiny and governance arrangements for the future mayoral combined authority.

2. Information

Background

- 2.1 Scrutiny in local government is a statutory function that acts as a 'check and balance' to local political leaders and decision makers and holds them (and partners) to account for the decisions they make, policies they adopt, money they spend and the services they provide. Scrutiny is required to operate in a non-political and evidence-led way to investigate, influence, report and make recommendations.
- 2.2 Scrutiny work at the Combined Authority is led by a single independent, politically-balanced committee – the Overview and Scrutiny Committee. The committee is made up of 18 cross-party councillors from across West Yorkshire and York who are 'backbenchers' – that is, councillors who are not members of a local council's cabinet or executive. It is currently chaired by Councillor Peter Harrand (Leeds). A full list of members can be found [here](https://westyorkshire.moderngov.co.uk/mgCommitteeDetails.aspx?ID=135)¹.

¹ <https://westyorkshire.moderngov.co.uk/mgCommitteeDetails.aspx?ID=135>

Scrutiny Work Programme 2020/21

- 2.3 Every year, scrutiny members meet in a workshop setting to review the previous year and decide its work programme for the coming municipal year. The [annual report for the 2019/20 municipal year](#) can be read on scrutiny section of the website².
- 2.4 For 2020/21 municipal year, scrutiny believed that mayoral devolution was the biggest change to the Combined Authority since its establishment in 2014 and there was an expectation that appropriate scrutiny and oversight of devolution and its implementation will take place. In addition, areas affected by COVID-19 such as business growth, transport services, and the budget – and work being undertaken to help the region and its economy recover from the aftermath of COVID-19 – should also be areas of oversight.
- 2.5 Consequently, it was agreed that scrutiny focus mostly on mayoral devolution preparations and the implementation process, while maintaining an overview of other organisational developments, such as COVID-19 recovery plans, through a standing performance monitoring item.
- 2.6 To support it in its work, the Committee established two working groups:
- Governance & Scrutiny: To scrutinise the development of new governance/decision-making structures and make recommendations on new scrutiny arrangements.
 - Finances & Corporate: To scrutinise and maintain oversight of the development of new financial arrangements/strategies and organisational and corporate processes/systems – including workforce planning and any matters relating to the Police & Crime Commissioner.
- 2.7 The resultant work programme is attached as **Appendix 1**.

Summary of committee and working group meetings

- 2.8 There have been three committee meetings this year so far. The first two meetings on 10 July 2020 and 11 September 2020 focused on the results of the mayoral devolution consultation and the effects of COVID-19 on combined authority strategy, services and organisational resources. The discussion focused on how COVID-19 has affected the regional economy, transport system and the authority's finances and what work was being undertaken to address those problems to help the authority and region both weather the crisis and prepare for the recovery.
- 2.9 Following on from the September meeting, the Finance & Corporate Working Group was briefed regularly on developments with corporate reorganisation and the financial situation. They have looked at the Assurance Framework, Police Commissioner integration, the accommodation project, HR and people strategy, and organisational systems. They have also considered early

² <https://westyorkshire.moderngov.co.uk/documents/s16973/Item%207%20-%20Appendix%201.pdf>

thinking around the budget and are due to reconsider the draft budget in late December or early January.

- 2.10 The most recent meeting on 13 November 2020 focused on considering proposals from the Governance and Scrutiny Working Group for what the governance structure and scrutiny arrangements should look like in the new mayoral combined authority.

Proposals for new MCA scrutiny arrangements

- 2.11 The Governance & Scrutiny Working Group met four times between mid-September and late-October. The group analysed the Combined Authority's current governance structure and its history, looked at other mayoral combined authorities' scrutiny arrangements, discussed the main challenges scrutiny currently faces and what new challenges are expected with an expanded mayoral authority.
- 2.12 The working group considered how scrutiny operates in other regional authorities including Greater Manchester and Greater London and also considered the differences between local scrutiny models and methods and what might work at a regional level and a much wider geography and strategic model. Parliamentary and Assembly select committees were also taken into consideration.
- 2.13 Issues discussed included greater training and support for members, member and chair role profiles, report formats including independent analysis and summaries, possible pre meetings for question planning, greater pre-decision scrutiny of key decisions/projects, the number (and role) of scrutiny officers, engagement with the public and stakeholders, and efficient use of working groups and spokespersons for overview.
- 2.14 In general, there was a consensus that any new combined authority scrutiny model will almost certainly need more resources and support staff, a higher public profile to better engage with the public/stakeholders and a more focused purpose that does not duplicate scrutiny-like work currently undertaken by other committees and advisory panels. It was also recognised that these requests would need to be considered in the context of the financial pressures currently facing the Combined Authority.
- 2.15 Three options were presented to the Committee on 13 November 2020, [along with summarised advantages and disadvantages of each option](#)³:
1. **Option 1 – one enhanced select committee:** A single committee (supported by permanent sub-groups focusing on certain areas such as pre decision scrutiny of key projects, public engagement and reviews) operating in 'select committee style' with a wider term of reference, greater operational resources, and significantly enhanced role profiles

³ <https://westyorkshire.moderngov.co.uk/documents/s17685/Item%206i%20-%20Proposed%20options%20for%20a%20new%20MCA%20scrutiny%20model.pdf>

or scrutiny members and officers to support a more pro-active, 'big picture' and strategic approach to scrutiny.

2. **Option 2 – three committees divided thematically:** Three co-equal committees each shadowing one of the main functions, directorates and committees of the Combined Authority in a more reactive, focused approach; one to look at economic policy/services/functions, one on transport policy/services/functions and one more generalist one to cover all other matters, incl. strategic (mayors plan), police and corporate issues. Each of these committees will also still be able to form subgroups and do reviews etc.
3. **Option 3 – two committees divided by function:** Two co-equal committees operating within a binary system where the overview (monitoring, reactive) and scrutiny (focused but proactive) parts are undertaken separately by different committees allowing chairs, members and officers with particular experience to focus more closely on particular types of scrutiny which require different skills. Each of these committees will also still be able to form subgroups and do reviews etc.

- 2.16 Following a discussion, **the Committee selected Option 1** for recommendation to the Combined Authority. A second report will now be submitted to a future scrutiny meeting outlining a trackable action plan to implement the chosen model and a workshop open to all members will be arranged to help form ideas. The chosen model will also be revisited within 18 months (by May 2022) with an option to activate this follow up review earlier than that if necessary.

Governance review and reform

- 2.17 In addition, Scrutiny asked that a review of governance be undertaken, if possible with the involvement of scrutiny and the mayor, and that this topic be added to the Committee's work programme for 2021/22 if not completed by then and that scrutiny of the new constitution takes place prior to its adoption.

Next steps

- 2.18 In January, the committee plans to consider the budget and business plans for the mayor's first year, a report on how to implement the scrutiny model chosen at the November meeting, an update on implementation of mayoral devolution and an update on the situation with COVID-19 and Brexit.

3. Financial Implications

- 3.1 There are no financial implications directly arising from this report.

4. Legal Implications

- 4.1 There are no legal implications directly arising from this report.

5. Staffing Implications

5.1 There are no staffing implications directly arising from this report.

6. External Consultees

6.1 No external consultations have been undertaken.

7. Recommendations

7.1 That the Governance and Audit Committee notes the update and report.

8. Background Documents

None.

9. Appendices

Appendix 1 – Scrutiny Work Programme 2020/21