

Report to: West Yorkshire Combined Authority

Date: 9 March 2021

Subject: **Future scrutiny arrangements**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	

1. Purpose of this report

- 1.1 To present the Combined Authority with a proposal for new and improved scrutiny arrangements for the mayoral combined authority – as summarised in **paragraphs 2.6 – 2.11**.

2. Information

Background to the review of scrutiny arrangements

- 2.1 West Yorkshire Combined Authority is now a mayoral authority and has gained new functions and responsibilities, extra powers and more funding. The election of its first mayor in May 2021 will unlock more powers and responsibilities. As a result, there is a need to re-assess the suitability and effectiveness of scrutiny and accountability arrangements.
- 2.2 The importance of scrutiny and accountability was prominently and frequently cited by the public, partner authorities and other stakeholders as an important area requiring expansion and improvement in the consultation on the devolution deal. Suggestions were varied and ranged from increasing the

number of scrutiny committees and staff to an annual 'scrutiny conference' consisting of all councillors.

- 2.3 As a result, the Overview & Scrutiny Committee reviewed scrutiny arrangements, appointing a working group to 'provide input into and make recommendations regarding a new governance structure and new scrutiny arrangements.'
- 2.4 A summary of the working group's conclusions is attached at **Appendix 1**, including a link to the original report. The working group effectively narrowed down the possible ways forward to two main options: **switch to a single select committee** with a different operational model and more strategic focus (Option 1) or **expand to multiple committees** each with a different thematic/functional responsibility (Options 2 and 3). The Overview and Scrutiny Committee ultimately voted nearly unanimously to recommend the model proposed as 'Option 1' - **'One enhanced select committee' (with subgroups)**:
'a single high-profile select committee focusing on 'big picture' issues and reviews in public hearings, supported by five permanent subgroups to oversee certain scrutiny functions and selection of members chosen as spokespersons to engage with the wider advisory panel/committee system to avoid duplication.'
- 2.5 The Committee asked the Scrutiny Chair to discuss their recommendation (Option 1) with Combined Authority members and incorporate any feedback into a final proposal to take to the Combined Authority. As a consequence of further consultation between the Scrutiny Chair and Combined Authority members the following factors were highlighted as important in any new arrangements. Namely, a desire to increase the number of partner council members involved in scrutiny, a view that the multi-committee model is better aligned with the arrangements in partner councils and recognition that more officer resource would be required to meet the new arrangements. A final consensus option was agreed.

Summary of the final proposed option – three scrutiny committees

- 2.6 The final proposal is that the Combined Authority increase the number of overview and scrutiny committees to three (names and exact terms of reference to be confirmed at the annual meeting):
- Corporate Scrutiny Committee
 - Economy Scrutiny Committee
 - Transport Scrutiny Committee
- 2.7 The proposal is that each committee comprises 16 members: with 3 from each of the five West Yorkshire constituent authorities and 1 from the non-constituent authority, the City of York. This would increase the total number of scrutiny members from 18 to 48 members, plus substitutes (up to 48 depending on nominations).

- 2.8 An appropriate and proportionate level of resource will be required to provide additional officer support to the new scrutiny structure so that the committees may properly administer the additional required meetings, support additional scrutiny activity, and oversee working groups, and conduct scrutiny reviews.
- 2.9 Due to the proposed change in the scrutiny structure, terms of reference and membership numbers, it is recommended that an Independent Remuneration Panel (IRP) is convened to reassess the level of allowances paid to Combined Authority scrutiny chairs and members and to report back to the Combined Authority at its meeting in April to enable appointments to be made to the new scrutiny committees at the annual meeting in June. The intention is that role profiles for scrutiny chairs and members will be created to better support the IRP's reassessment.
- 2.10 A key part of the role of the new scrutiny committees will be their interface with the wider committee structure to ensure additionality and enable new areas of focus and enquiry avoiding duplication. It is anticipated that the work of the scrutiny committees will need to be phased in to enable the roles and relationships to be established effectively.
- 2.11 It is proposed that a review of this new structure takes place 6 months after the annual meeting to ensure that the level of resource is in line with the level of activity and that scrutiny is able to meet its expectations.

3. Tackling the Climate Emergency Implications

- 3.1 There are no direct implications regarding tackling the climate emergency arising from this report, however increased scrutiny capacity could better facilitate more effective scrutiny of the response to the climate emergency and better monitor progress and performance. There will be a modest increase in carbon costs of administering the additional committee and working group meetings and secretariat bureaucracy.

4. Inclusive Growth Implications

- 4.1 There are no inclusive growth implications directly arising from this report, however increased scrutiny capacity could better facilitate more effective scrutiny of inclusive growth priorities and better monitor progress and performance.

5. Financial Implications

- 5.1 The recommended scrutiny structure requires additional investment and resources to be committed to support the necessary expansion of its size and activity and to help improve the effectiveness and added value that scrutiny activity provides to the Combined Authority's work and the region.
- 5.2 The two main financial implications are increased funding for additional staff and a possible increase in the total level of allowances paid, pending the conclusions of an independent remuneration panel. The cost of additional staff

to enable a total of three dedicated scrutiny staff has been calculated to be in the region of £112,000. The recommendation however is that a staged approach is more appropriate, with an initial doubling to two support officers which would be at an additional cost nearer £65,000 and that this be considered further as part of the proposed future review.

- 5.3 The current member allowance scheme for scrutiny members totals £32,148 per annum. If this was extrapolated across a three committee proposal with a total of 48 members based on the current allowance thresholds the total cost would be £88,344. However, this may change in the light of any recommendations from an IRP.
- 5.4 Indicative costs to progress the staged approach would therefore be circa £121,000 but are subject to further refinement. These costs would need to be met from the additional capacity provided for in the 2021/22 budget.
- 5.5 Other associated costs may include additional secretariat costs in supporting the increase in committees and membership, including member support and training, number of meetings, administrative costs, expenses paid and possible webcasting airtime in future. These costs would be met from existing budgets.

6. Legal Implications

- 6.1 Any changes to the governance structure and membership of overview and scrutiny committees requires approval from the Combined Authority.
- 6.2 Combined Authority scrutiny committees are subject to specific statutory regulations which are different and more prescriptive than for local authority scrutiny equivalents.
 - The Combined Authority must appoint at least one member of each of the constituent councils and the non-constituent council to an overview and scrutiny committee.
 - The majority of members of an overview and scrutiny committee must be members of constituent councils.
 - The membership of an overview and scrutiny committee must as a whole must reflect, so far as reasonably practicable, the balance of political parties on the constituent councils (in West Yorkshire) when taken together.
 - Members appointed from a non-constituent council to an overview and scrutiny committee shall be non-voting but may be given voting rights by resolution of the Combined Authority.
 - Scrutiny chairs must be either an independent person (defined by Order) or an appropriate person - that is, a member of a constituent council who is not a member of the registered party of which the Mayor is a member.
 - That a quorum of two-thirds of members must be present for a meeting to go ahead and make decisions, recommendations, call in items, or approve reports.

- 6.3 Although overview and scrutiny committees have the power to make reports or recommendations to the Combined Authority on matters that affect the Combined Authority's area or the inhabitants of the area, the specific scrutiny of policing and Police & Crime Commissioner functions (PCC Functions) remains the statutory responsibility of the Police & Crime Panel – supported by Wakefield Council – which will scrutinise the Mayor's decisions relating to PCC Functions. How combined authority scrutiny interacts with the Police and Crime Panel in future on matters in which police and community safety issues overlap with other combined authority functions such as transport and corporate support is still under consideration.

7. Staffing Implications

- 7.1 This proposal will require a significant increase in dedicated officer support to enable an enhanced level of scrutiny activity. This is also likely to impact upon the arrangements of the wider Governance Services team which currently provides committee secretariat support to the Combined Authority's committees.
- 7.2 In addition, there will likely be greater demands being made on the time of other non-scrutiny officers and service areas that are otherwise important to the scrutiny process and the new scrutiny committees' ability to fulfil their functions. This greater interface will most likely affect the following teams and officers: communications/marketing, consultation & engagement, project management and appraisal, research & evaluation, corporate performance, policy/strategy development and senior leadership – who would all be expected to report to or support scrutiny.

8. External Consultees

- 8.1 Informal conversations and consultations were undertaken with counterparts in other mayoral combined authorities and in partner authorities in West Yorkshire as well as the Centre for Governance and Scrutiny.

9. Recommendations

- 9.1 That the Combined Authority notes the work undertaken by the Overview and Scrutiny Committee in reviewing scrutiny arrangements and notes the Committee's original recommendation and advice – as outlined in **Appendix 1**.
- 9.2 That the Combined Authority approves the proposal to replace the existing scrutiny arrangements with three overview and scrutiny committees, each consisting of 16 members (3 from each West Yorkshire constituent authority and 1 from the non-constituent authority York), and asks officers to progress developing governance arrangements to enable such appointments to be made at the annual meeting on 24 June 2021 – as outlined in **paragraphs 2.6 – 2.11**.

- 9.3 That the Combined Authority approves the convening of an Independent Remuneration Panel to reassess the allowances to be paid to scrutiny chairs and members – as outlined in **paragraph 2.9**.
- 9.4 That the Combined Authority approve the additional investment into the scrutiny function including additional staff resource and other potential associated costs – as outlined in **section 5** of the report.

10. Background Documents

Report – Item 6, [Overview and Scrutiny Committee \(13 November 2020\)](#)

11. Appendices

Appendix 1 – Scrutiny Working Group – Scrutiny Review Summary