
Report to: Overview and Scrutiny Committee

Date: 19 March 2021

Subject: **Future scrutiny arrangements and structure**

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1. Purpose of this report

- 1.1 To inform the Overview and Scrutiny Committee of the Combined Authority's decision on future scrutiny arrangements for the mayoral combined authority and next steps for scrutiny and scrutiny members.

2. Information

Background to the review of scrutiny arrangements and recommendation

- 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.
- 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.
- 2.3 As a result, the Overview & Scrutiny Committee decided to review the suitability and effectiveness of scrutiny arrangements and appointed a working group to 'provide input into and make recommendations regarding a new governance structure and new scrutiny arrangements'.
- 2.4 The working group reported back to the 13 November 2020 meeting of the Overview and Scrutiny Committee. A summary of its conclusions is attached at **Appendix 1**, including a link to the original report.

- 2.5 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).
- 2.6 All options represented a significant expansion and improvement of current scrutiny arrangements, with scrutiny members citing the need for scrutiny to look and feel different, and be bigger, as important considerations in their vote.
- 2.7 The Committee asked the Scrutiny Chair to consult with Combined Authority members on its recommendation (Option 1) and incorporate any feedback into a final proposal to take to the Combined Authority – which must make the ultimate decision on all committee arrangements. 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:
- 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.

Summary of the Combined Authority's decision – three scrutiny committees

- 2.8 Following discussion and debate at the Combined Authority meeting on 9 March, the final decision was that, effective from the June 2021 annual meeting, the Combined Authority would increase the number of overview and scrutiny committees to three and broadly cover the following areas (names and exact terms of reference to be confirmed at the annual meeting):
- Corporate Scrutiny Committee
 - Economy Scrutiny Committee
 - Transport Scrutiny Committee
- 2.9 Each committee will comprise of 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).
- 2.10 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.
- 2.11 Due to the proposed change in the scrutiny structure, terms of reference and membership numbers, an Independent Remuneration Panel (IRP) will be

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.

- 2.12 It is expected that 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.
- 2.13 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.
- 2.14 It is proposed that a review of this new structure takes place 6 months after it the new committees are appointed to ensure that the level of resource is in line with the level of activity and that scrutiny is able to meet its expectations.

Implications and considerations

- 2.15 In its report to the November 2020 Overview and Scrutiny Committee, the working group identified the following as strengths of the multiple committee model:
 - 1. *“Allows scrutiny to cover more policy/service areas across the three committees in a more focused way than is possible under one generalist committee.*
 - 2. *More committees may allow for a more reactive approach wherein scrutiny committees can shadow their executive counterparts – Economy & LEP Board / panels, Transport and Transport and Corporate and the Combined Authority.*
 - 3. *With more committees, scrutiny might get greater chances to scrutinise decisions and plans in greater detail at more appropriate times.*
 - 4. *More focused terms of reference may encourage more focused work programmes, recommendations and follow ups.*
 - 5. *Allows members to opt for and specialise in certain policy areas.*
 - 6. *Greater number of scrutiny places available to ward councillors to take part directly in combined authority scrutiny.*
 - 7. *The greater the number of committees and members the more likely profile and attention scrutiny will get both within and outside the authority.”*
- 2.16 It also identified the following as potential issues:
 - 1. *“Cost – the more committees, the greater the cost to operate them day to day.*
 - 2. *Authorities might struggle to fill Member places as they currently do to fill the 18 slots available – especially with stricter geographical and political balance requirements in CA scrutiny.*
 - 3. *Efficiently implementing and supporting a system with more committees requires greater resources in general and will make greater demands*

on officers already limited time (which they have not been able to dedicate to the one scrutiny committee to date).

- 4. Keeping members trained, supported and briefed would need at least triple the amount of time and resources – including secretariat and administrative duties. Keeping the bureaucracy going may distract from improving the policy/analysis/advice aspects of scrutiny work.*
- 5. A possibility that the committees may compete with one another for limited resources and media attention or clash on topics of mutual interest or recommendations that might be mutually exclusive.*
- 6. Without an overarching committee to ensure consistency and connectivity, this might lead to silo working and an overall disjointed strategic picture in terms of scrutiny impact.*
- 7. Furthermore, they could end up either ineffectually shadowing existing committees or outright duplicating the work of the transport committee and the LEP panels which already perform a small-s scrutiny role on these policy areas.*
- 8. Danger that a focus on increasing the number of committees and executing the bureaucratic process may distract from greater efforts to improve the operational efficiency and impact.”*

2.17 Work is ongoing to identify solutions and processes to mitigate some of these potential issues identified by the working group. Potential suggestions include a permanent steering group of the three scrutiny chairs to ensure that the committees do not engage in ‘silo working’ and scrutiny efforts are consistent and coordinated between the three committees and cooperation can take place on overlapping issues and projects.

2.18 Another implication is that the Scrutiny Standing Orders and other constitutional documents and processes, including key decision processes, must be reassessed to take into account the existence of multiple committees and chairs.

2.19 Another consideration is what level of activity can be supported by the level of resource agreed by the Combined Authority – one additional support officer. Currently scrutiny has one support officer who is usually able to support in any municipal year around six committee meetings and 10-12 working group meetings. With two support officers to three committees, the number of committee meetings and working groups / reviews across the three committees would need to be carefully considered at the work programming stage following the annual meeting.

Next steps

2.20 The next steps include:

- Drafting new scrutiny chair and scrutiny member role profiles to help support the Panel’s assessment.
- Convening of Independent Remuneration Panel (IRP) to reassess allowances with the new structure in mind. The Panel intends to report back to the April 2021 Combined Authority meeting.

- Drafting of new terms of reference and other constitutional documents for the new committees. The final documents will be tabled at the June 2021 annual meeting.
- Discussion between the Scrutiny Chair and officers about the role profiles and duties of scrutiny support officers going forward.
- Drafting an implementation and induction schedule to ensure a smooth transition from the current system to the new system and careful induction of the minimum 30+ scrutiny members.

2.21 The Scrutiny Chair and scrutiny members will be kept up to date and briefed on above and be offered an opportunity to comment and raise concerns.

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 administrating 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 decision however was 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 Committee notes the Combined Authority's decision on the structure of future scrutiny arrangements.
- 9.2 That the Committee notes the implications on scrutiny and scrutiny members and the planned next steps.

10. Background Documents

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

Report – Item 13, [West Yorkshire Combined Authority \(9 March 2021\)](#)

11. Appendices

Appendix 1 – Scrutiny Working Group – Scrutiny Review Summary