

LIVERPOOL CITY REGION COMBINED AUTHORITY

To: Members of the Liverpool City Region Combined Authority Scrutiny Panel

Meeting: 29 October 2014

Authority/Authorities Affected: All

EXEMPT/CONFIDENTIAL ITEM: No

REPORT OF THE LEAD OFFICER – SCRUTINY

ROLE OF THE LIVERPOOL CITY REGION COMBINED AUTHORITY SCRUTINY PANEL

1. PURPOSE OF REPORT

- 1.1 To outline to Members the Authority's arrangements for Scrutiny, as detailed in the Combined Authority's Constitution, as approved on 1 April 2014.

2. RECOMMENDATIONS

2.1 That:

- (i) the Panel note its role and responsibilities as outlined in the Combined Authority's Constitution; and
- (ii) makes reference to and bears in mind the Constitution when carrying out its functions.

3. BACKGROUND

3.1 Part 5, Section B of the Combined Authority's Constitution outlines the arrangements made for Scrutiny of the Combined Authority's activities. For ease of reference an extract from the Constitution that covers the Scrutiny function is appended to this report. Members of the Panel are encouraged to familiarise themselves with Part 5, Section B of the Constitution.

3.2 Part 5 covers the following issues:

- Function of Scrutiny at a City Region Level.
- Operation of Scrutiny arrangements.
- Meetings of Scrutiny Panel.
- Key Principals for the Operation of the Scrutiny arrangements.
- Scrutiny Working Groups.
- Reviews and Recommendations.

- Budget and Administration.
- Support and Advice to Scrutiny Arrangements.

4. RESOURCE IMPLICATIONS

4.1 Financial

All constituent authorities have agreed that the administration of the Combined Authority will be met from existing resources. However, it will be important that the Scrutiny Panel has the support to carry out its role effectively. It will be the responsibility of the constituent authorities to identify appropriate resources to support the Scrutiny Panel's work programme. The constituent authorities will have to respond to the requirements of Scrutiny but all parties will have to operate in the knowledge of the overall pressures on local authority budgets and personnel.

4.2 Human Resources

There are no direct issues associated with the recommendations in this report.

4.3 Physical Assets

There are no direct issues associated with the recommendations in this report.

4.4 Information Technology

There are no direct issues associated with the recommendations in this report.

5. RISKS AND MITIGATION

- 5.1 There is a risk that the effectiveness of Scrutiny may be compromised if resources are not made available to it to carry out its role. The mitigation to ensure this does not happen is that the combined resource of the constituent authorities can be accessed to support the work of Scrutiny and that innovative use of existing work and resources can be utilised.

6. EQUALITY AND DIVERSITY IMPLICATIONS

- 6.1 The Scrutiny function will need to consider equality and diversity issues within any review work it undertakes.

7. COMMUNICATION ISSUES

- 7.1 It is important that Members of the Scrutiny Panel are aware of their role and responsibilities. Members have already been asked to identify any training needs they might have, following the Development Day on 26 September.

8. CONCLUSION

- 8.1 The report draws Members' attention to the part of the Combined Authority's Constitution that outlines the Scrutiny arrangements.

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Appendices:

Part 5 Section B - Constitution.

Background Documents:

CA's Constitution.

Section B – Scrutiny Arrangements for the Authority,

Merseytravel Committee and Merseytravel

1. Introduction

1.1 The Authority is to be supported by a scrutiny model in order to scrutinise decisions made at the sub-regional level.

2. Function of Scrutiny at a City Region Level

2.1 Scrutiny exists to achieve greater public accountability over decisions made and services delivered to the whole Liverpool City Region in respect of those functions under the remit of the Combined Authority.

2.2 The principal ways in which the Combined Authority will be 'held to account' via Scrutiny are:-

- (i) 'Critical Friend' role
- (ii) Pre-decision scrutiny
- (iii) Monitoring the delivery of the Combined Authority Strategic Plan

2.3 Pre-decision scrutiny would need to be used selectively otherwise the scrutiny system would, by spreading its energies too thinly, be likely to have little impact.

2.4 The role of Scrutiny in these three key function areas will be:-

a. To provide a 'critical friend' to policy and strategy development

The main priority for scrutiny should be to help the Authority to:-

- Develop policies to deal with new issues
- Reviewing existing policies which are felt to be in need of review
- Contributing to the formulation of the annual budget

- Reviewing policies or actions of agencies external to the local authorities which may be impacting adversely on the quality of life of local people

b. To undertake scrutiny reviews into areas of strategic importance for the people of the Liverpool City Region.

The Authority's Scrutiny Panel should aim to investigate matters of strategic significance for the Liverpool City Region area and review should focus on sub-regional issues that are directly linked to the work of the Combined Authority and its sub-structure. The Panel would take a similar approach to a Parliamentary Select

Committee. Panel members will collect evidence through a variety of sources, including –

- Questioning expert ‘witnesses’
- Receiving reports and other literature
- Undertaking consultation
- Communication with stakeholders

The Panel will work with this information to make suggestions for improvement, acknowledge good practice and make recommendations. It will not deal with individual issues or queries that are more suitably dealt with by a local authority or specific organisation. The findings of each review will be submitted to the Authority for consideration.

There are two potential sources for identifying in-depth studies to be carried out by scrutiny; the Scrutiny Panel itself and the Authority. The Authority may require scrutiny of a particular policy before agreeing a policy or taking a decision.

c. To monitor the delivery of the Authority’s Strategic Plan The Scrutiny Panel will review the outcomes of the Authority’s Strategic Plans.

Any involvement of scrutiny in this activity would need to demonstrate that it could add value and not just replicate what the Authority, its Boards or Committees were doing. Scrutiny would again need to be highly selective acting only when it was concerned about evidence of poor performance and it was not satisfied by the Authority’s response to it.

3. Operation of Scrutiny Arrangements

3.1 The Scrutiny Panel will comprise of Members from each of the Constituent Councils. Membership will be agreed at the Annual General Meeting. Nominations to the Scrutiny Panel must not be members of the Authority (including substitute members) or the Merseytravel Committee.

3.2 Nominations to the Scrutiny Panel by the Constituent Councils will be made in accordance with the principles of political balance set out in Section 15(5) of the LGHA 1989.

3.3 Any elected member appointed to the Scrutiny Panel by the Authority under these scrutiny arrangements who is also appointed to any Committee of the Authority, cannot participate in the operation of the scrutiny arrangements on any issues which were taken at any meeting of the Authority or any Committee of the Authority at which they were present.

3.4 The term of office for members of the Scrutiny Panel will be one year from the date of the annual council meeting of the Constituent Council that nominates them to the Scrutiny Panel, unless:-

- (a) they cease to be an elected member of the Constituent Council that appointed them;

- (b) they wish to no longer participate in these arrangements; or
- (c) the Head of the Secretariat is advised by any of the Constituent Councils that it wishes to change one or more of its nominees to the Scrutiny Panel.

3.5 Non-voting members may be co-opted to participate in these arrangements from other organisations as the Scrutiny Panel members may decide.

4. Meetings of Scrutiny Panel

4.1 The members appointed by the Authority to the Scrutiny Panel will hold at least one annual meeting and may convene additional meetings in accordance with these arrangements.

4.2 The Scrutiny Panel members will:

- (a) elect a Chair and Vice Chair;
- (b) determine the areas of review and scrutiny that they wish to pursue during the ensuing 12 months;
- (c) agree to establish Scrutiny Working Groups from amongst their number in order to carry out agreed areas of review and scrutiny.

4.3 The quorum for the annual meeting and any other meetings is 6, and must include representatives of at least 4 of the Constituent Councils.

4.4 The principle of decision-making at any such meeting shall be that, wherever possible, decisions will be made by agreement, without the need for a vote. If a vote is necessary it will be a simple majority of those present and the Chair will not have a casting vote.

4.5 The venue for each annual meeting and the usual venue for any other meetings will be the offices of Merseytravel, save that the Scrutiny Panel may choose to hold meetings other than the annual meeting in other venues if this is deemed to assist the scrutiny process.

4.6 Notice of the annual meeting and any other meetings will be sent to each Scrutiny Panel member in accordance with the requirements of the Local Government Act 1972.

4.6 The Chair will approve the agenda for each annual meeting and any other meetings; however, any member of the Scrutiny Panel will be entitled to require an item to be placed on the agenda for the meeting.

4.8 Subject to paragraphs 4.1 to 4.7, meetings will proceed in accordance with the Rules of Procedure.

5. Key Principles for the Operation of the Scrutiny Arrangements

5.1 The Constituent Councils will work together to maximise the exchange of information and views, to minimise bureaucracy and make best use of the time of members and officers of other bodies or agencies.

- 5.2 Members of the Scrutiny Panel will, when considering reviews, determine whether the issue is more appropriately dealt with by one of the Constituent Councils or elsewhere and will not duplicate the work of existing bodies or agencies.
- 5.3 Subject to prior consultation, the Constituent Councils will respond positively to requests for information, or for the attendance of a member or officer at any meetings set up under these arrangements.
- 5.4 While it is ultimately for each Constituent Council to decide who it considers the most appropriate person(s) to speak on its behalf at any meetings set up under these arrangements, consideration will be given to meeting specific requests.
- 5.5 Dates and times for officer and member attendance at any meetings set up under these arrangements should be by agreement.
- 5.6 Members appointed under these arrangements may request the attendance of officers employed by the Constituent Councils to answer questions and give evidence at any meetings set up under these arrangements. All such requests must be made via the Chief Executive of the relevant Constituent Council. If any request is declined by the Chief Executive, he/she must state the reasons for so doing.
- 5.7 The Scrutiny Panel may
- (a) invite members to attend before it to answer questions;
 - (b) invite other persons to attend meetings of the Panel;
 - (c) review or scrutinise decisions made or other action taken in connection with the discharge of any functions of the Authority;
 - (d) make reports or recommendations to the Authority with respect to the discharge of any functions which are the responsibility of the Authority.
- 5.8 The power to review or scrutinise a decision made, but not implemented under subparagraph 5.7(c), includes the power to recommend that the decision be reconsidered, but is subject to the following provisions:
- (a) this shall not apply where, in the view of the decision-making body stated when the decision is made, any delay in implementing the decision would prejudice the interests of the Authority or the interests of the public;
 - (b) (i) in relation to decisions which may be subject to reconsideration, each decision shall be available where possible by electronic means within two working days of being made. Members of the Scrutiny Panel will be provided with a copy of the decision which will bear the date published and indicate it will come into effect on the expiry of three working days after publication;
 - (ii) if two-thirds of the membership of the Scrutiny Panel notify the Head of the Secretariat that they wish the Scrutiny Panel to consider the decision, then the Head of the Secretariat will arrange for a meeting of the Scrutiny Panel to be convened at the first available opportunity and in any event within seven working days of the request being notified to him. No action will be taken in the meantime to implement the decision which is subject to the request;

- (iii) the Scrutiny Panel will consider the matter and if it chooses to, may resolve to request that the decision-maker reconsiders the decision. The Scrutiny Panel must set out the basis upon which reconsideration is requested;
 - (iv) the decision-making body will reconsider the decision and that reconsideration shall take place within seven working days of the Scrutiny Panel's request;
 - (v) no further requests for reconsideration may be made in cases where decisions have been reconsidered and the decision has been affirmed;
- (c) decisions which have been subject to pre-decision scrutiny cannot be recommended for reconsideration unless the decision taken is, in the view of the Head of the Secretariat, significantly different from the proposal under contemplation at the pre-decision scrutiny stage;

5.9 Where the Scrutiny Panel makes a report or recommendation under 5.7(d), it may:

- (a) publish the report or recommendations;
- (b) by notice in writing, require the Authority to
 - (i) consider the report or recommendation;
 - (ii) provide a response to the Scrutiny Panel indicating what action (if any) it proposes to take;
 - (iii) where the Scrutiny Panel has published the report or recommendations, publish the response;

5.10 A notice under 5.9(b) will require the Authority to comply with it within two months, beginning with the date on which the Authority receives the report or recommendations or (if later) the notice.

5.11 The Authority will comply with a notice given under 5.9(b).

5.12 The requirements or power to publish contained in 5.9(a) and 5.11, shall not apply where the reports contain exempt or confidential information.

6. Scrutiny Working Groups

6.1 The annual meeting of members of the Scrutiny Panel may establish Scrutiny Working Groups to undertake agreed scrutiny reviews.

6.2 Scrutiny Working Groups shall include representatives from at least 4 of the Constituent Councils.

6.3 Scrutiny Working Groups established under this Protocol must be appointed to carry out specific scrutiny tasks and be time limited. Their continuation will be subject to confirmation at each annual meeting of the Scrutiny Panel members.

6.4 The Authority may also, if they choose, request that a Scrutiny Working Group be appointed to examine a specific issue in more detail and report back its findings to the Authority as appropriate.

6.5 Scrutiny Working Groups will have no delegated powers and will refer the outcome of their investigations to the Scrutiny Panel for consideration and decision.

7. Reviews and Recommendations

7.1 The process of scrutiny will be an open and transparent process designed to engage the Constituent Councils, their residents and other stakeholders.

7.2 Meetings will be held in public unless the meeting decides to convene in private in order to discuss confidential or exempt information, in accordance with the relevant provisions of the LGA 1972 or LGA 2000.

7.3 The terms of reference, timescale and outline of any review will be agreed by Scrutiny Panel members appointed at their annual meeting.

7.4 Different approaches to scrutiny reviews may be taken in each case, but members will seek to act in an inclusive manner and will take evidence from a wide range of opinion.

7.5 The primary objective of any Scrutiny Working Group established under these arrangements will be to reach consensus on its recommendations, but where a minimum number of 2 members express an alternative to the majority view, they will be permitted to produce a minority report.

8. Budget and Administration

8.1 The scrutiny leads from each Constituent Council will provide guidance to the Scrutiny Panel on its work programme, advice on the scoping of reviews (at different levels) and ensuring the appropriate information and advice is made available during the reviews, where appropriate, through the use of expert witnesses.

8.2 The decisions and recommendations of the Scrutiny Panel will be communicated to the Authority and/or Merseytravel as appropriate, as soon as practicable.

9. Support and Advice to Scrutiny Arrangements

9.1 The Scrutiny Panel may ask individuals or groups to assist it on a review by review basis and may ask independent professionals for advice during the course of reviews. Such individuals or groups will not be able to vote.

9.2 The Scrutiny Officer of each Constituent Council will ensure that the work programmes and minutes relating to the work carried out by the Scrutiny Panel in scrutinising the Authority and the Merseytravel Committee, are circulated appropriately within their own Constituent Council's scrutiny arrangements.

9.3 Each Constituent Council will nominate one of the 2 members of that Constituent Council who have been appointed to the Scrutiny Panel to act as that Constituent Council's "Authority Scrutiny Link". The Authority Scrutiny Link will be responsible for reporting back to their own Constituent Council on the scrutiny work carried out by the Scrutiny Panel and will also be responsible for reporting to the Scrutiny Panel any issues identified locally by their own Constituent Council which may warrant scrutiny at a sub-regional level. The nomination of an Authority Scrutiny Link and the way in which this role will be performed will be determined by each Constituent Council.