

AGENDA MANAGEMENT SHEET

Name of Committee Overview And Scrutiny Co-ordinating Group

Date of Committee 19th November 2008

Report Title Holding Cabinet Portfolio Holders to account

Summary This report summarises local and national best practice in relation to how Overview and Scrutiny Committees hold Portfolio Holders to account and outlines options for implementing a formal and consistent approach for Warwickshire County Council’s Overview and Scrutiny Committees to hold Cabinet Portfolio Holders to account.

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Would the recommended decision be contrary to the Budget and Policy Framework? No.

Background papers None

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

- Other Committees
- Local Member(s)
- Other Elected Members Cllr Grant, Chair of OSCG
- Cabinet Member Cllr Farnell, Leader
- Chief Executive Jim Graham
- Legal Jane Pollard - Corporate Legal Services Manager
- Finance
- Other Strategic Directors David Carter - Strategic Director for Performance and Development

- District Councils
- Health Authority
- Police
- Other Bodies/Individuals Janet Purcell - Cabinet Business Manager

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

- Further consideration by this Committee
- To Council
- To Cabinet
- To an O & S Committee
- To an Area Committee
- Further Consultation

Agenda No

Overview And Scrutiny Co-ordinating Group - 19th November 2008.

Holding Portfolio Holders to account

Report of the Strategic Director for Performance and Development

Recommendation

OSCG is recommended to:

- i) Agree the implementation of the three options outlined in the report. With option 1 and 3 being implemented immediately and option 2 being implemented in the new municipal year (June 2009).
- ii) Agree the suggested process and format for option 2 which is contained in Appendix A
- iii) Give consideration as to how option 2 should relate to Portfolio Holder reports to full Council
- iv) Agree the underlying principles which should guide the approach to holding Portfolio Holders to account contained outlined on page 8
- v) Ask the Cabinet to support the OSCG's decision in relation to the above.

1. Introduction

1.1 A fundamental role for Overview and Scrutiny Committees (OSC's) is to hold the Cabinet to account. This role is undertaken by:

- Pre-decision scrutiny - using the Forward Plan to identify forthcoming decisions to be made by Cabinet that require scrutiny
- Post-decision scrutiny - using the call-in procedure to review a decision made by Cabinet prior to implementation.

1.2 These methods relate to Cabinet decisions rather than the performance of individual Portfolio Holders and whilst Portfolio Holders regularly attend OSC's, there is currently no formally agreed process for OSC's to hold individual Portfolio Holders to account for their performance. It is anticipated that feedback from the 2008 CPA Inspection will include comments regarding the need for OSCs to more effectively hold Portfolio Holders to account. Therefore, a formal process needs to be developed in order to achieve an effective and consistent approach across of OSC's. This report outlines current good practice both locally and nationally and presents

options for developing a formal process for Warwickshire County Council's OSCs to hold Portfolio Holders to account.

2. Good Practice

Warwickshire County Council

2.1 The Children, Young People and Families OSC can be identified as an example of good practice for holding Portfolio Holders to account within the Council. At each meeting the Committee invites the Portfolio Holder for Children, Young People and Families, to sit on the "top table", in order to be clearly visible to the Committee and for questions to be directed towards the Portfolio Holder. This practice is maintained throughout the Committee meeting, not just for specific reports. Over the last 18 months the Committee has explored various ways of holding the Portfolio Holder to account, including requesting that the Portfolio Holder:

- i) Present key challenges and opportunities for the Portfolio for next 12 months (forward looking)
- ii) Present work undertaken and key achievements for previous 12 months (backward looking)
- iii) Present Directorate Performance Report Cards
- iv) Report back to the Committee on the progress made against recommendations in Scrutiny Reviews.

Examples from elsewhere

2.2 The London Borough of Lewisham has a single Overview and Scrutiny Committee which includes all non-executive members. One of the roles of the single Overview and Scrutiny Committee is to hold Portfolio Holders to account for their performance. The Committee does this by holding 3 Portfolio Holder Question Time Sessions per year, with 3 Cabinet Members attending each session. Cabinet Members are required to submit a report outlining:

- i) Key Issues that they have been working on, including arrangements for liaising with Executive Directors
- ii) Information on engagements undertaken on behalf of the Authority
- iii) Information on their involvement in Council processes, including the percentage of Cabinet, Council and Scrutiny meetings attended.

2.3 These Question Time sessions were well received by the Audit Commission in the Council's latest CPA Inspection.

2.4 At Worcestershire County Council the Overview and Scrutiny Steering Committee invites Portfolio Holders and the relevant Director to attend a meeting of the Overview and Scrutiny Steering Committee as close as possible after presenting their annual report to full council. These Portfolio Holder and Director reports include the following:

- i) Relevant Performance Indicators, in particular any indicators causing concern;
- ii) Progress made on implementing recommendations from previously published scrutiny reports;
- iii) Any variations in the agreed 3 year budget (including potential new demands)
- iv) Performance against the Corporate Plan priorities;
- v) Any matters which the Director considers need to be brought to the attention of the Committee;
- vi) Any emerging issues which were raised in the meeting of the County Council.

2.5 This approach attempts to avoid duplication between Portfolio Holder reports to full council and Portfolio Holder reports to Overview and Scrutiny. Birmingham City Council adopts a similar approach, in that following a Portfolio Holder's annual report to full Council; Portfolio Holders are expected to provide a 6 monthly progress report to Overview and Scrutiny Committees on the issues raised within their annual report.

2.6 Clearly, in developing a formal process for OSC's to hold Portfolio Holders to account, consideration needs to be given to how such a process will relate to Portfolio Holder reports to full council. These reports are currently scheduled at various times throughout the year.

3. Developing a clear process for WCC

3.1 Building upon the good practice developed by the Children, Young People and Families OSC and incorporating aspects of good practice identified from elsewhere, there are a number of options available to develop a formal process for Warwickshire County Council's OSCs to hold Portfolio Holders to account. These are outlined below in Table 1.1, alongside advantages and disadvantages of each approach. The options outlined are not mutually exclusive.

	Suggestion	Advantages	Disadvantages
1	<p>Question and Answer Session</p> <p>Question and answer sessions with Portfolio Holders be incorporated into OSC's agendas, with Portfolio Holders being notified of the questions in advance to allow them to carry out any necessary research</p>	<p>Easy to implement</p> <p>Could be implemented immediately</p> <p>Provides a clear distinction between scrutiny and executive functions</p> <p>An established process already exists for OSC's to receive public questions, this process can be adopted for the purpose of Portfolio Holder questions</p>	<p>Implementation of this option alone would not provide effective accountability for overall Portfolio Holder performance.</p> <p>Question and Answer Sessions may not be employed consistently across all OSC's</p> <p>Could potentially "eat into" OSCs meeting time. However, this could be avoided by implementing a restriction on the number of questions to be asked and /or the time dedicated to this section of the agenda.</p>
2	<p>Portfolio Holder Reports to OSCs</p> <p>At the beginning of the municipal year Portfolio Holders to present key challenges and opportunities for their portfolio for next 12 months, outlining proposed actions to address challenges and to capitalise upon opportunities. To include challenges in light of recent budget decisions.</p> <p>Key challenges and opportunities identified should be in relation to the challenges and opportunities the Portfolio Holder must address in order to effectively fulfil their role.</p> <p>Portfolio Holders to provide half</p>	<p>Establishes a clear and consistent process across all OSC's</p> <p>OSC's could use reports to identify areas for future in-depth scrutiny and to plan their work programme</p> <p>Provides a clear distinction between Scrutiny and Executive functions</p> <p>Similar processes developed by other Local Authorities have been well received during CPA inspections, for example London Borough of Lewisham</p> <p>If aligned with performance reporting, OSC's will be able to use performance reports to assess whether Portfolio Holders are focussing upon the right challenges, and make suggestions / recommendations as appropriate</p>	<p>There is a risk of potential duplication with the Portfolio Holders report to Council. Duplication could be avoided by:</p> <ul style="list-style-type: none"> ▪ Rescheduling Portfolio Holders reports to Council to align with reporting to OSCs. Therefore, Portfolio Holder reports will not be spread throughout the year. This would also have an impact upon the OS Annual Reports cycle. ▪ Requiring Portfolio Holders to present challenges at beginning of year and then report progress after their annual report has been considered by full council. This would mean that there would be a significant variance between the timings of progress reports among OSC's. With some Portfolio Holders not having sufficient time to make progress between presenting priorities and reporting to OSC. Conversely, there may be some large gaps between Portfolio Holders presenting priorities and then presenting progress, thereby reducing the ability of OSC's to identify potential issues / concerns early on ▪ Ensuring Portfolio Holder Reports to Council include an outline of the reports that have been submitted to OSC's <p>The current structure of OSCs does not neatly mirror Cabinet Portfolios. Therefore Resources, Performance and Development</p>

	Suggestion	Advantages	Disadvantages
	<p>year and full year update on performance in relation to the issues identified. See Appendix A for suggested process and format</p>		<p>OSC has 3 Portfolio Holders who would be required to report to the Committee, this could be time consuming for the Committee.</p> <p>Whilst an end of year performance report by Portfolio Holders could be incorporated into OSCs work programmes 2008/09, the full process would not be able to be implemented until the next municipal year.</p> <p>End of year performance in April, will not be aligned Q4 performance reports on Corporate Business Plan targets and the LAA</p>
3	<p>Progress on Recommendations from Scrutiny Reviews</p> <p>Portfolio Holders to present progress reports on recommendations from Scrutiny Reviews</p>	<p>Easy to implement</p> <p>Could be implemented immediately</p> <p>Provides a clear distinction between Scrutiny and Executive functions</p> <p>Could be incorporated into option 2 above. The advantage of this would be that progress on review recommendations would be reported at once, as opposed to a number of reports throughout the year. The more scrutiny reviews that are undertaken, a combined progress report on OSCs recommendation will prove advantageous, as there is a danger that OSC work programmes become overwhelmed with progress reports. See Appendix A for suggested format and process.</p>	<p>Implementation of this option alone would not provide effective accountability for overall Portfolio Holder performance.</p>

4. Recommended approach and implementation

- 4.1 All of the options outlined above would provide useful methods for OSCs to hold Portfolio Holders to account. However, implementation of option 1 and 3, either individually or jointly, would not provide an overall picture of Portfolio Holder performance. Therefore, it is recommended that all three approaches outlined above are implemented on a trial basis. It is recommended that Options 1 and 3 are implemented with immediate effect, whilst Option 2 should be implemented from the start of the new municipal year (June 2009).
- 4.2 The effectiveness of the approaches should be reviewed after 12 months. The effectiveness of Option 2 will specifically need to be reviewed in relation to the Resources, Performance and Development OSC. If Cabinet Portfolios remain unchanged for the next municipal year, there will be three Portfolio Holders (Resources, Partnerships and Localities and Corporate Services) being scrutinised by the Resources, Performance and Development OSC. This may reduce the amount of time the Committee can spend on other business.
- 4.3 Appendix A outlines the suggested process and format for Portfolio Holder reports to OSC's, incorporating progress made on the implementation of scrutiny review recommendations. In implementing Option 2, consideration will need to be given to how this process will relate to Portfolio Holder reports to full Council. See Table 1.1 for possible options.
- 4.4. The following principles should underpin the adoption of the options:
- i) Portfolio Holders should attend the meetings of the OSC relevant to their portfolio. If a Portfolio is unable to attend, then they should endeavour to ensure that the Cabinet is represented by another Portfolio Holder. If a Portfolio Holder is absent for a Portfolio Holder Question Time, then where the question is known beforehand, they should endeavour to submit a written response to the Committee for discussion at the meeting. Alternatively, a written response should be provided as soon as possible after the meeting.
 - ii) Whilst Portfolio Holders should be the primary focus of Committee's questions, it needs to be recognised that Officers will be required to support Portfolio Holders in this role and answer any specific questions that Portfolio Holders are unable to answer. This support will be required both in relation to Option 1 and 3 outlined above.
 - iii) Portfolio Holders should be invited to sit at the "top table" during OSC meetings and be clearly identified as the Portfolio Holder

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15 October 2008

Suggested format and process for Portfolio Holder Report to OSC's

	Key Challenges / Opportunities	Proposed Action	6 months progress	12 month progress
	June	June	November	April
Portfolio Holders	<p>To identify key challenges / opportunities* for the portfolio holder for the next 12 months. Outline impact on Corporate Priority, LAA target or other performance indicator.</p> <p>*Key challenges and opportunities identified should be in relation to the challenges and opportunities the Portfolio Holder must address in order to effectively fulfil their role.</p>	Identify proposed action to address the key challenges identified	<p>Portfolio Holder to provide OSCs with a 6 month update on progress made on identified challenges, opportunities and proposed actions.</p> <p>To amend key challenges and opportunities as appropriate</p>	<p>Portfolio Holder to provide OSCs with a 12 month update on progress made on identified challenges, opportunities and proposed actions.</p> <p>To amend key challenges and opportunities as appropriate</p>
		OSC Reviews	Progress report on implementation of recommendations from scrutiny reviews (Action Plans to be attached).	Progress report on the implementation of recommendations from scrutiny reviews (Action Plans to be attached)
OSC's	<p>OSC's to use Q4 performance report to scrutinise identified challenges, opportunities and proposed actions and make recommendations as appropriate.</p> <p>OSC's to use previous 12 month progress report from Portfolio Holder (April) to scrutinise identified challenges, opportunities and proposed actions and make recommendations as appropriate.</p> <p>OSC's to scrutinise progress made on implementing Scrutiny Review recommendation</p> <p>OSC's to use Portfolio Holder report to identify areas for in-depth scrutiny for forthcoming year</p>		<p>OSC's to scrutinise performance of Portfolio Holder in relation to key challenges and proposed actions after 6 months. OSCs to use Q2 performance reports to aid scrutiny</p> <p>OSC's to make recommendations as appropriate.</p> <p>OSC's to scrutinise progress made on implementing review recommendations</p>	<p>OSC's to scrutinise performance of Portfolio Holders in relation to key challenges and proposed actions after 12 months. (Although it must be noted that real-time performance information on targets will not be available to support this scrutiny)</p> <p>OSC's to make recommendations as appropriate.</p> <p>OSC's to scrutinise progress made on implementing review recommendations</p>