

REIGATE AND BANSTEAD BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

ANNUAL REPORT 2017/18

This Annual Report reviews Overview and Scrutiny activities in 2017/18.

1. Introduction

- 1.1. The Overview & Scrutiny Committee has a number of roles in its terms of reference:
 - scrutiny of the decision making process;
 - monitoring the Council's performance;
 - operating as the "Audit Committee" of the Council;
 - operating as the "Crime and Disorder 'Scrutiny' Committee";
 - supporting the strategic development of policy proposed by the Executive;
 - reviewing issues of concern to local people through Councillor calls for Action;
 - "Call in" of Executive decisions;
 - participating in Joint Scrutiny arrangements in Surrey;
 - monitoring and scrutinising the activities of other organisations that impact on residents and businesses in the borough;
- 1.2. The Committee consists of 15 Members and establishes Review Panels, where required, to undertake detailed work on a 'task and finish' basis. These Panels mostly consist of five members. Panel recommendations are presented to the Committee, the Executive and/or Council.
- 1.3. In 2017/18 the advance questioning procedure was utilised for a number of the Committee's activities, to the benefit of both the Committee and those attending at its request. This procedure has worked well as it provides Members more time to research issues and prepare questions. It also enables Officers, Members and external guests to prepare more detailed responses.
- 1.4. The Committee continued the arrangement of holding Executive Members to account for their responsibility areas by inviting them to present their objectives, recent achievements, current challenges and future priorities to the Committee.
- 1.5. The eMembers Room (Members' extranet) continued to provide Members with access to information to support their role and includes:
 - performance information including Internal Audit review reports;
 - responses to Member questions raised at its meetings;
 - presentations received at its meetings;
 - Scrutiny Panel reports.
- 1.6. The Membership, Terms of Reference of the Committee and attendance at the Committee and its Panels are given in Annex 1.

2. Holding the Executive to Account

- 2.1. The Executive Members and/or Management Team representatives supported our scrutiny activities and attended meetings of the Committee and Scrutiny Panels throughout the year.
- 2.2. The Committee held the Leader and Executive Members to account through:
 - the attendance of the Leader, the Deputy Leader and Executive Members at the Committee or its Panels to explain how the Executive proposed to deliver its plans and strategies; and
 - Executive Members presenting their objectives to the Committee.
 - The consideration of a Call-In by Members of a decision by the Executive to increase the loan facility offered to the Pathway for Care company.
- 2.3. Councillor Mr. T. Schofield, Executive Member for Finance attended the Budget Scrutiny Panel, together with other Executive Members, to support the Panel's scrutiny. Councillor T. Schofield also attended the Committee meeting at which the report of the Budget Scrutiny Panel was received and considered, to further support this process.
- 2.4. Councillor Mr. G. Knight, Executive Member for Community Safety, attended the Committee's annual 'Crime and Disorder' meeting to support the scrutiny of the Community Safety Partnership.
- 2.5. The Committee considered a Call-In by Members of the Executive's decisions of 9 November authorising an increase in the loan facility provided by the Council to the Pathway to Care company. Additional detail of this process is provided in the Call-In section of this report.
- 2.6. The Committee requested an update on services supporting individuals with Dementia in the Borough, which was provided at the 7 December 2017 meeting of the Committee. Councillor Mrs. R. Mill, Executive Member for Leisure & Wellbeing, attended this meeting to support consideration of the item.
- 2.8. The Committee requested an update on the Pathway for Care company, which was provided at the 7 December 2017 meeting of the Committee.
- 2.9. The Committee conducted advanced scrutiny of the proposed recommendations for the next steps for Pathway for Care at the 15 March meeting of the Committee, in advance of their consideration by the Executive on 29 March.

3. Executive Member Objectives

- 3.1. The following Executive Members presented their objectives to the Committee (in chronological order):
 - Councillor Mr. T. Schofield, Executive Member for Finance, who provided a briefing on the Council's financial considerations, actions and processes, including the Service and Financial Planning process and the challenges facing the Council;
 - Councillor Dr. L. Hack, Deputy Leader and Executive Member for Neighbourhood Services, who provided a briefing on the work of the Council's work around recycling, refuse and greenspaces and services operating from the Earlswood Depot site;

- Councillor Mrs R. Renton, Executive Member for Housing & Infrastructure, who provided a briefing on the Council's work around housing and homelessness support, community development and associated work to support local communities and residents;
- Councillor Mr. G. Knight, Executive Member for Community Safety, who provided a briefing on the community safety work of the Council, including licensing and regulatory activities, enforcement and JET team activities, parking, and work with the East Surrey Community Safety Partnership
- Councillor Mrs. R. Mill, Executive Member for Leisure and Wellbeing, provided a briefing on the Council's support for leisure facilities and residents' wellbeing in the borough, as well as the work undertaken to support the health of those within the borough.

3.2. The Committee welcomed the opportunity to examine in detail the work of portfolio holders, to test the relationship of this work to the Council's corporate objectives and to scrutinise the performance of the Council's services.

4. "Crime and Disorder 'Scrutiny' Committee"

4.1. The Committee again held an annual meeting as part of its 'Crime and Disorder' responsibility. The Committee scrutinised the activities of the East Surrey Community Safety Partnership (ESCSP) in 2017/18.

4.2. Representatives from Surrey Police and Surrey County Council, as key community safety partners, were invited to attend the meeting and supported the Committee in its scrutiny activity.

4.3. The Committee investigated in questioning a wide range of community safety issues, and explored the working arrangements, successes and future plans and priority setting processes of the ESCSP, along with a discussion of best communication practices and the challenges faced by the Police.

5. Work with Housing Partners: Housing Associations

5.1. An overview of the Partnership Agreement with Raven Housing Trust and update on related housing activity was presented to the committee by the Portfolio Holder for Housing and Infrastructure in the Portfolio Holder Briefing in December 2017. There was an opportunity for the Committee to ask questions regarding the Council's work in this area. The next Housing and Infrastructure Portfolio Holder Briefing is scheduled for April 2019.

6. Performance Monitoring

6.1. The Committee continued to monitor the Council's performance. This included reviewing the following information:

- Revenue, Capital and Service Performance Management (quarterly);
- Risk Performance Management (six monthly);
- wider economic indicators and issues that affect public services (quarterly); and
- performance against the 5 Year Plan 2015-20 (six monthly).

6.2. The detailed information on performance variances and responses to Member questions was provided in the eMembers Room in support of this activity. More detailed information on service performance was also available from the eMembers Room.

- 6.3. The advance questioning procedure was utilised to support each quarterly performance report, and the Chief Executive, in regularly supporting meetings of the Overview and Scrutiny Committee, was able to answer additional questions on performance. Where the Chief Executive was unable to attend, the appropriate Management Team representative attended to provide continuity of support to the Committee.
- 6.4. The quarterly reports showed that the Council continued to perform well. Any comments from the Committee on performance were reported to the Executive for their consideration.
- 6.5. The Council's IT systems are continuing to be updated, with a project currently in progress to replace the committee management software. An update on the system improvements implemented will be provided following the completion of the update process.

7. Audit

A Internal Audit

- 7.1. There were 18 Internal Audit reviews undertaken by RSM (the Council's Internal Audit contractor) in the 2017/18 period up to the end of March, of which 14 final reports have been issued. The remainder are underway and will be reported in 2018/19. Each final report was provided in full on the eMembers Room and Members were encouraged to submit advance questions to Committee meetings on a quarterly basis. Exception reports are provided to the Committee where an audit identifies significant concerns. There were no exception reports required in 2017/18 as no major issues were identified by the audits.
- 7.2. In June 2017 the Committee considered RSM's Annual Internal Audit Report for the year ended 31 March 2017, which provided a positive opinion on the overall adequacy of and effectiveness of the organisation's risk management, control and governance processes.
- 7.3. As delegated in the Council's Constitution, the Committee considered RSM's Updated Internal Audit Strategy and Audit Plan for 2017/18 at the end of 2016/17. The Internal Audit Strategy and Audit Plan for 2018/19 are on the Agenda for consideration by the Committee at the April meeting. The Internal Audit Strategy and Audit Plan identify key risks facing the Authority, and the risks identified for 2017/18 were monitored throughout the year via the Internal Audit reviews.
- 7.4. In March 2017, the Committee considered the strategic risk register for 2018/19 and had the opportunity to make any comments to the Executive.

B External Audit

- 7.5. The Committee received the annual report for the 2016/17 financial year from the External Auditors (KPMG) in October 2017.
- 7.6. The Committee were pleased to note that KPMG had been generally positive and that no major issues had been identified by the auditors. This confirmed that the Council had proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The minor issues identified were noted to be being monitored and were noted to be expected to be resolved.

8. Joint Scrutiny Arrangements in Surrey

- 8.1. Though the Committee has the facility to undertake joint scrutiny, no such reviews took place in 2017/18. The facility will be utilised in the future should a topic be identified that meets the criteria for collaborative scrutiny.

9. Strategy and Policy Development

- 9.1. The Committee commented on the following draft strategies and policies:
- Treasury Management Strategy 2018/19;
 - Medium Term Financial Plan 2018/19-22/23 (through the budget scrutiny process).
- 9.2. The Committee also received and considered the Schedule of Meetings for 2018/19.

10. Operational arrangements

- 10.1. As the Chairman of the Committee I had regular meetings with the Chief Executive which focussed on delivering the Committee's work programme. I am particularly appreciative of this involvement and for the support of the Chief Executive at our meetings.
- 10.2. I am equally grateful for the support provided by the Leader of the Council, with whom I met to discuss the work of the Executive and the work of the Committee, and how these could continue to support and complement each other. In accordance with the Overview and Scrutiny Committee's Procedure Rules, the Committee's work programme for 2018/19 was discussed with the Leader.

11. Review Panels

- 11.1. The Committee had two Review Panels this year, as detailed below.

A Budget Scrutiny Review Panel (Chairman: Cllr. Mr. N. Harrison)

- 11.2. The Budget Scrutiny Review Panel reviewed the Service & Financial Planning (Provisional Budget) 2018/19 report.
- 11.3. The Panel undertook a very robust review and considered over 100 advance questions along with further questions and comments that were raised within the meeting.
- 11.4. The Panel recognised and appreciated the significant amount of work that had gone into preparing the service and financial plans for 2018/19 and concluded that the budget proposals were sound, balanced and achievable. This also applied to the updated Capital Programme and Medium Term Financial Plan.
- 11.5. The Committee supported the conclusions of the Panel and provided its comments to the Executive for their final consideration of the Budget.

B Local Development Framework Scrutiny Review Panel (Chairman: Cllr. Mr. M. Brunt, in his role as Planning Committee Chairman)

- 11.6. The Local Development Framework Scrutiny Review Panel was constituted in October 2014 on an ongoing basis, with a remit to consider emerging planning policy documents, in particular the Development Management Plan (DMP) and the Community Infrastructure Levy (CIL). The Panel met in October 2017 to consider the process of the DMP from the Regulation 18 consultation document to the proposed Regulation 19 submission
- 11.7. The Panel was broadly satisfied that the Regulation 19 document had been developed appropriately. Its comments and minor clarifications were supported by the Committee.

12. 'Call-in' of Executive Decisions

- 12.1. One Call-In was received during 2017/18, regarding the Executive's decisions of 9 November authorising an increase in the loan facility provided by the Council to the

Pathway for Care company (a local authority trading company established by the Council).

- 12.2. This Call-In was made on the grounds that the Members calling in the decision was not made in compliance with Principles of Decision Making 14.2.4 ('a presumption in favour of openness') and 14.2.5 ('clarity of aims and desired outcomes') of the Council's constitution.
- 12.3. This Call-In was considered by the Committee at a special meeting on 30 November 2017, where the Call-In was thoroughly discussed and considered, with the Leader and a number of Executive Members present to answer questions.
- 12.4. This Committee noted the information and evidence considered and informed the Executive accordingly, but did not require any further action to be taken. The Committee did note that it hoped to see improved availability of information regarding Council decisions to all Councillors where appropriate, and that greater attention would be paid to ensuring that formal reports were sufficiently comprehensive and informative, particularly regarding commercial activities.

13. Community Call for Action

- 13.1 No Community Calls for Action were recorded during 2017/18.

14. Conclusion

- 14.1. The Committee recognises that the Council continues to focus on outcomes for residents and businesses and is responding well to financial pressures and managing its processes in an efficient manner. The work of the Overview and Scrutiny Committee has maintained a streamlined approach in 2017/18 and in developing its work programme for 2018/19 has sought to continue this.
- 14.2. Nevertheless, the Committee has worked hard on behalf of the Council and community in scrutinising the Council's decision making process, holding Executive Members to account, and monitoring the Council's performance, as well as contributing to strategic policy development. All of this activity adds great value to the Council's processes and assists the Council to uphold a consistently high level of service.
- 14.3. There have been a number of challenges considered by the Committee this year, particularly around the Council's commercial activities, and including the Call-In noted in section 12 of this report. Through the Committee's work with the Executive on these issues, I hope that the Council has been able to learn valuable lessons which will support the future work of the Council and this Committee in best serving our residents and the borough.
- 14.4. In accordance with the Overview and Scrutiny Committee's Terms of Reference, the Council is requested to note this Annual Report.

**COUNCILLOR B.A. STEAD
CHAIRMAN,
OVERVIEW AND SCRUTINY COMMITTEE**