

# **SCRUTINY ARRANGEMENTS LIVERPOOL CITY REGION COMBINED AUTHORITY**

## 1.0 Introduction

1.1 The proposal to establish a Liverpool City Region Combined Authority (LCRCA), has to be supported by a scrutiny model in order to scrutinise decisions made at the sub-regional level.

1.2 The following proposals outline a model for scrutiny that are broadly based on the work undertaken for the Liverpool City Region by Professor Steve Leach in 2010.

## 2.0 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 It is proposed that there are three principal ways in which the Combined Authority will be 'held to account' via Scrutiny namely:

- (i) 'Critical Friend' role
- (ii) Pre-decision scrutiny
- (iii) Monitoring the delivery of the Liverpool City Region 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:-

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

The main priority for scrutiny should be to help the Combined 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

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

The LCRCA 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.

Review Panels would take a similar approach to Parliamentary Select Committees. 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 Review Panels will work with this information to make suggestions for improvement, acknowledge good practice and make recommendations. They 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 Combined 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 Combined Authority. The Combined Authority may require scrutiny of a particular policy before agreeing a policy or taking a decision.

### 3. To monitor the delivery of the LCR Combined Authority Strategic Plan

The Scrutiny Panel will review the outcomes of the LCR Combined Authority Strategic Plans.

Any involvement of scrutiny in this activity would need to demonstrate that it could add value and not just replicate what the Combined 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 Combined Authority's response to it.

2.5 In summary, the main opportunities for scrutiny to 'add value' at a City Region level are as follows:-

- Pre-decision scrutiny (selective) of items in the Combined Authority's forward workload.
- In -depth scrutiny reviews of issues identified by the Combined Authority as ones where they would welcome an input from scrutiny.
- Reviewing the contribution of partner organisations to the achievement of agreed targets in the strategic plan where there is cause for concern.
- Focusing on selected areas in the budget formulation process.

### 3.0 Structures and Processes of Scrutiny at the City Region Level

3.1 The scrutiny function at City Regional level should be carried out by a panel (or pool) of councillors nominated by the six authorities in the City Region. Although this pool would have the prime responsibility for scrutiny there is of course no reason why they should not involve other Councillors or representatives of partner organisations where this would contribute to the quality of a particular scrutiny exercise.

3.2 The Scrutiny Panel will be established under the following operational framework:-

#### **(i) Size of the Panel**

A scrutiny panel of 12 members, two from each local authority, will be established.

## **(ii) Cross Party Representation**

There is no requirement for political balance to be achieved but cross party representation needs to be carefully considered.

If each authority were permitted to choose its own two nominees, it may be that there would be a reasonable outcome in political balance terms. However there might well be a sense of exclusion on the part of sizeable minority parties, if they were not represented amongst an authority's nominees. Using AGMA as an example there is a requirement that any opposition party which holds 25% or more of council seats should be allocated a scrutiny name place. An additional criteria could be that if opposition groups collectively hold more than 33% of councils seats, then the largest opposition group should be allocated a scrutiny panel place. If these two criteria were applied in the LCR arrangements, the scrutiny panel composition would currently be Labour 10, Liberal Democrats 1 and Conservatives 1, which would be a close approximation proportionately to the overall political balance within the City Region.

## **(iii) Scrutiny sub-structure**

The structure for scrutiny should be kept as simple as possible and should avoid over elaboration. For this reason it is proposed that Scrutiny operate on the principle of 'Task and Finish' Groups.

The Scrutiny Panel could identify a number of specific topics to be dealt with in task and finish group mode using a 'select committee' approach as appropriate

It would give focus and momentum to the Scrutiny Panel's work, however, if a limited number of relevant topics or task-and-finish group subjects could be identified at an early stage.

## **(iv) Chair of the Panel (and other positions of responsibility)**

The position of Chair of this scrutiny panel is important in making the new system work effectively. The crucial criteria for the selection of Chair is that he or she is enthusiastic about the scrutiny role and has the requisite leadership skills to develop a new and demanding function and to inspire colleagues to play their part. The choice may be best left to members of the scrutiny pool themselves.

The Chairs of the sub panels or task and finish groups should be appointed by the panels themselves on the basis on interest and experience.

## **(v) Frequency of meetings**

The scrutiny panel will establish an annual timetable of meetings on a bi-monthly basis. Task groups will establish their own pattern of meetings, including format, location and frequency, depending on the review being undertaken.

## **(vi) Involvement of partner organisations**

There are good reasons to involve the partner organisations, the Local Enterprise Partnership and Merseytravel, in specific pieces of work, where their experience and expertise is helpful - either as co-optees on a task-and-finish group or expert witnesses. However there is likely to be little gained in offering co-opted membership status to representatives of partner organisations on the

Scrutiny Panel itself. First, there would be the problem of which partners to approach, and which (by implication) to exclude, with the risk of generating a sense of aggrievement on the part of the excluded. Second, it is unlikely that many (if any) of the key partner organisations would see it as a good use of their time to send representatives to meetings at which much of the business could be outside their area of interest. However the potential value of partner organisations, the Local Enterprise Partnership and Merseytravel, in relation to particular topics should be recognised, and their involvement (in whatever way is appropriate) should be sought and welcomed.

#### **(vii) The organisation of in-depth studies**

There should be clear criteria in relation to the choice of in-depth topics for scrutiny, and flexibility in the way such studies are carried out. The most important criteria of choice are **first**; that there should be demonstrable value in the piece of work envisaged, in relation to the strategic priorities of LCRCA, its Boards and Committees and **second**; that no other agency within the network of authorities should be undertaking work which replicate or overlaps with the proposed project.

The resources available for in-depth scrutiny studies at LCR level will inevitably be limited, and it is crucial that the resources are used to best advantage; hence the importance of the two criteria identified above.

Public concern about a currently un-resolved issue within the remit of the Combined Authority may also be an important reason (all other things being equal) for instigating a scrutiny exercise.

At an early stage a joint meeting between LCRCA members and the scrutiny panel may identify one or more pieces of work which the Combined Authority itself can see real value in scrutiny undertaking. Such pieces of work should not necessarily be the only projects undertaken by scrutiny, but they should certainly form a major element on its programme.

#### **(viii) Support to the Scrutiny Panel**

If the LCRCA scrutiny function is to have the desired impact, it will need to be effectively supported by the six local authority scrutiny leads.

The scrutiny leads 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 was made available during the reviews, where appropriate through the use of expert witnesses.