

# OVERVIEW AND SCRUTINY

## ANNUAL REPORT 2018/19



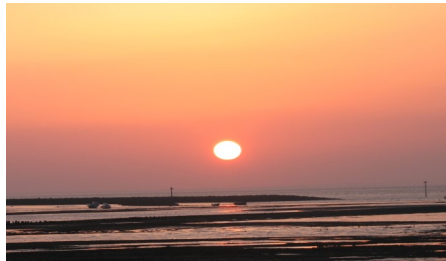
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# OVERVIEW AND SCRUTINY COMMITTEE

The Overview and Scrutiny Committee has overall responsibility for the performance of all Scrutiny functions (under the Local Government Act 2000) on behalf of the City Council.

The Committee has the power to scrutinise all of the City Council functions and decisions that are not within the Terms of Reference of the Budget and Performance Panel. It also has the power to call-in any decisions that members feel have not been made in accordance with the City Council's decision-making principles.



## Membership:

Councillors Nigel Goodrich (Chairman), Roger Mace (Vice-Chairman) (from July 2018), June Ashworth, Alan Biddulph, Tracy Brown, Brett Cooper (until October 2018), Rob Devey, Charlie Edwards (until May 2018), Caroline Jackson, John Reynolds (from December 2018) and David Whitaker.

# Budget and Performance Panel

The Budget and Performance Panel has specific responsibility for providing overview and scrutiny to issues regarding the City Council's performance, budget and financial issues.

## Membership:

Councillors Dave Brookes (Chairman), Peter Yates (Vice-Chairman), Tracy Brown, Ian Clift (until November 2018), Kevin Frea, John Reynolds, Oliver Robinson (from January 2019), Susan Sykes, David Whitaker and Peter Williamson.



## PROPERTY INVESTMENT STRATEGY — GOVERNANCE ARRANGEMENTS

On the 27th February 2019, Council resolved that;

*“(4) Council requires Scrutiny Committee to consider and approve the detailed scrutiny process and recommend any changes to the procedure rules.*

*“(5) Council requires the Overview and Scrutiny Committee to consider a work programme to include i) review of the effectiveness and outcomes of any individual decision ii) carry out a review of the investment portfolio. Such review to make any recommendations for improvement to the decision making or governance by January 2020.”*

The Committee considered the Property Investment Strategy process chart and discussed the number of proposed investments which may come forward.

It was envisaged that officers would dismiss a high percentage of the proposals and the Capital Strategy Group, a group made up of senior officers, Cabinet

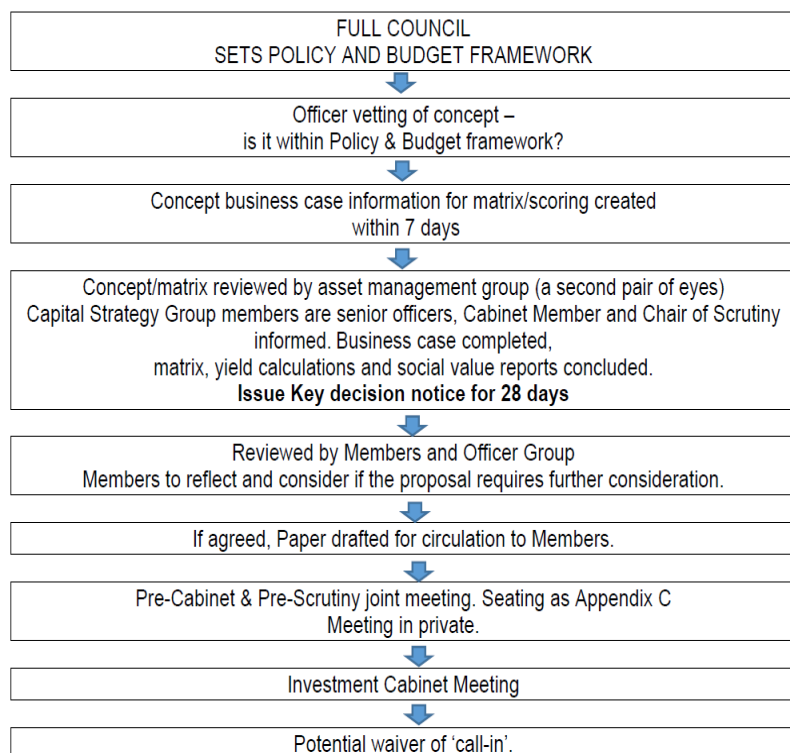
Members and the Chairman of Scrutiny, would dismiss more. Therefore, only the most appropriate proposals would be taken forward to ascertain due diligence and incur costs.

The Committee noted that should the Capital Strategy Group have any hesitation at this final stage, that would be taken as a sign that the proposal should not go forward.

The various types of proposals which could come

forward and the benefits to the Council were discussed. It was noted that not all investments would provide an immediate return but sometimes the benefits to the local community would outweigh this.

The detailed scrutiny process was approved. It was also agreed to review the effectiveness and outcomes of any individual decisions and to carry out a review of the Investment Portfolio as part of the 2019/20 Work Programme.





## SALT AYRE

At the October meeting the Chairman welcomed the Chief Officer (Health and Housing)/ Deputy Director for Communities and the Environment, the Sport and Leisure Manager and Joanne Bussell from Winckworth Sherwood to the meeting.

A presentation was provided on the option of Salt Ayre becoming a Local Training Company (LATC).

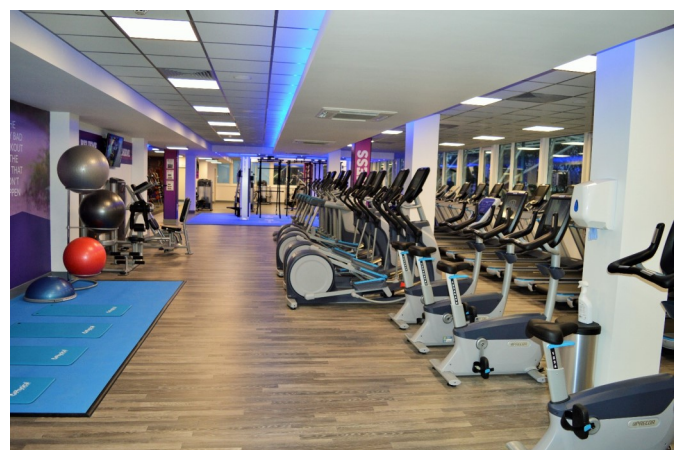


It was reported that the City Council was exploring alternative delivery options for the management and operation of the Leisure Centre which would safeguard the City Council's significant investment and the potential to maximise the financial return from the investment.

The preferred option was to create a Local Authority Trading Company which would manage and operate the Centre.

The Local Authority Trading Company would be wholly owned by the Council. The advantages of this set up, its overall governance and how it would work for the Council were reported at the meeting.

A number of points were raised relating to the Living Wage, the composition of the Board of Directors, VAT savings, Limited Company status profit shares, risks, poor performance and pension contributions.



It was agreed to consider the business case in more detail at a future meeting, prior to approval by Cabinet. The Committee also agreed to consider how business cases are formulated in general by the Council.

# COMMUNITY SAFETY

Each year a Community Safety meeting is arranged.

Councillor Brendan Hughes, Cabinet Member with responsibility for Community Safety and Clean and Green and Car Parking, Inspector James Martin and Mark Davies, the Director for Communities and the Environment, attended the meeting.

## COMMUNITY SAFETY PARTNERSHIP

Acting in its capacity as the City Council's designated Crime and Disorder Committee in accordance with the Police and Justice Act 2006 and Crime and Disorder (Overview & Scrutiny) Regulations 2009, the Committee received an update on the work being undertaken by the Community Safety Partnership and the Lancashire Constabulary.

Issues discussed included:

- Drug dealing.
- Needle exchanges.
- County line drug trafficking.
- Speeding.
- Fear of Dangerous Dogs.
- Hate crime
- Knife crime.

## PUBLIC SPACE PROTECTION ORDERS (PSPOs)

The Committee was advised that PSPO's were now in place in the centres of Lancaster and Morecambe.



## MULTI-AGENCY LICENSING TEAM (MALT)

It was reported that MALT had been established and was made up of representatives of the City Council, Lancashire Constabulary, Lancashire Fire and Rescue Service, Immigration Service, Lancashire County and Electricity NW.

The Group meet on a quarterly basis and look at performing intelligence led activities/operations and training the group in the skills and powers available to agencies. MALT was also working with the local universities for Fresher's Week.

## LICENSING ACT COMMITTEE

Other issues considered were the recommendations of the Late Night Economy Informal Task Group. One of the recommendations of the Task Group had been that Members of Licencing Act Committee would go on an early hours visit with the Licensing Team as part of their mandatory training. It was reported that this would happen as soon as the team is fully staffed. A review of the City Council's policy on the training of staff in licensed premises would also be undertaken as soon as capacity is available.

## EDEN (NORTH) PROJECT

At the January 2019 meeting the Eden (North) Feasibility Study was considered.

All Councillors had been invited to attend the meeting.

The City Council had agreed to a contribution of £250,000 towards specific pieces of work which would significantly advance the detailed work on proposals for the development of the Eden (North) Project.

Concerns were raised over possible increased second home ownership affecting affordability of family homes in the area. It was agreed to request information from the Planning Department upon contributions on second homes Council Tax levies.

Also discussed was the importance of Eden (North) employing local people and using local suppliers. The Committee was also keen to see if Eden (North) could contribute to the local community through contributions towards affordable housing and education.



Going forward the Committee agreed to add a standing item to future Overview and Scrutiny Committee Agenda to consider updates on the Eden (North) Project. Also agreed was the setting up of an informal Task Group to consider elements of the project in more detail.





## HERE ARE SOME OF THE MAIN ISSUES CONSIDERED BY THE OVERVIEW AND SCRUTINY COMMITTEE THIS YEAR

### PEER REVIEW

At the Committee's January meeting the Chief Executive gave an update on the progress that had been made since the original Peer Review.

Improvements had been made in relation to wide ranging partnership working, the Lancaster Story, staff recognition awards, communication and training.

Members also discussed the decision making process and the ongoing review of the Council's Constitution.



### REVIEW OF GRANT USE FOR CITY CENTRE ARTS PROVISION

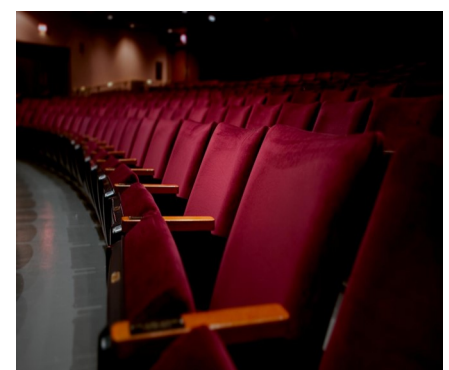
In February 2019 the Committee invited Budget and Performance Panel Members to hear a report from the Director of Economic Growth and Regeneration regarding the use of city centre arts grants.

The Council had supported arts and culture in the district and played a strong role in the support, development, investment, promotion and delivery of arts and culture in the City Centre, including through small arts grants.

The Council invested in The Dukes, Litfest, More Music, and Ludus Dance and full Council had also recently approved a policy to assist the Musician's Cooperative.

The Committee agreed to recommend that the Budget and Performance Panel consider a strategic review of arts spending and Service Level Agreements for the

management and governance of grants to support arts provision in the district and also to consider the end of year activity report forms at least annually.







## HERE ARE SOME OF THE OTHER MAIN ISSUES CONSIDERED BY THE OVERVIEW AND SCRUTINY COMMITTEE THIS YEAR

### PROPERTY PORTFOLIO

The Assistant Chief Executive and Senior Property Officer attended the Committees' December 2018 meeting.

A comprehensive list of all the City Council owned land and property within the district was provided.

The cost of maintaining the City Council's property portfolio was approximately £9million. It was necessary to reduce this figure and achieve value for money.

An update on the Property Strategy was provided in January 2019.

The Committee considered updated analysis of the Council's property portfolio which distinguished between different types of assets i.e. properties used by the Council, small parcels of land and commercial assets.

The Committee agreed to

set up an Informal Task Group to consider the strategic intent of the City Council's property portfolio.



### ECONOMIC GROWTH PLAN

In February 2019 the Committee was provided with a presentation on the proposed Economic Growth Plan which would guide the district's strategically for the next 10 years.

The district was performing well in comparison to the rest of Lancashire with unemployment reduced, improved highway networks, and growth in higher education, digital tourism and visitor economy sectors. Key growth was expected around Eden (North), Bailrigg Garden Village and the Canal Quarter.

The need for local wealth building and better self promotion by the Council was highlighted.

# MAIN ISSUES CONSIDERED BY BUDGET AND PERFORMANCE PANEL



## CORPORATE PERFORMANCE AND FINANCIAL MONITORING

The Panel receive quarterly Corporate Financial and Performance Monitoring reports that include strategic summaries on how the City Council performs in delivering the Council Plan targets. It scrutinises the reports to identify any areas of concern and put forward their recommendations to officers and Cabinet.

This year the Panel asked for further information regarding:

- The percentage of household waste recycled.
- The number of properties where category 1 hazards have been eliminated.
- Bailrigg Garden Village Strategic Board.

## TREASURY MANAGEMENT STRATEGY

Views were sought on the proposed Treasury Management Framework for 2019/20. These could be fed into Cabinet and ultimately Budget Council.

## BUDGET CONSULTATION

In January 2019 the Panel held its annual Stakeholder meeting. All Councillors and budget stakeholders were invited to attend.

A presentation from the Cabinet Member with responsibility for Finance, Revenues and Benefits, Performance Management and Community Wealth Building was provided on the City Council's Budget and Policy Framework proposals for 2019/20.

The Panel was also provided

with information regarding the budget proposals of Lancashire County Council, Lancashire Police and Crime Commissioner and the Lancashire Combined Fire Authority.

## MUSEUMS

A presentation on the developments and progress in relation to the City Council's Museums Service was provided in July.

Notice had been given to the County Council that the City Council would take its museums back in-house.

Work was ongoing in relation to the transfer including computer networks, ICT hardware, telephony and cash handling systems. All arrangements in relation to staff were also progressing.

## **INFORMAL TASK GROUPS**

The following Task Groups reported back to the Committee this year:

### **RESILIENCE COMMISSION INFORMAL TASK GROUP**

The final report of the Resilience Commission Informal Task Group was reported in to the Committee in October 2018. The Committee unanimously agreed to the recommendations of the Group which included;

- That training exercises/events continue to be arranged to continue to develop means of sharing good communications and practices.
- That the Community Leadership role of Councillors be included in Councillors Inductions
- That Lancashire County Council, as Lead Flood Authority, appoint a representative of the City Council to its relevant Scrutiny Committee to consider flooding issues.
- That alternatives to sandbags, such as floodsax, be trialled by the Council
- That adaptations be made to Council houses/bungalows which have previously been flooded.
- That Officers ensure that recovery and emergency plans are regularly assessed.

The Task Group also recommended the creation of a Flooding and Community Response Cabinet Liaison Group. These recommendations were referred to Cabinet for considera-

### **VOLUNTARY AND FAITH SECTOR COMMISSIONING WORKING GROUP**

The Voluntary and Faith Sector Commissioning Working Group presented its final recommendations to the Committee in July 2018. The Committee considered the Working Group's recommendations and agreed;

- That the Commissioning Framework remained sound and should be retained and updated in line with the Council Plan.
- That the funded organisations be requested to attend an Annual Review meeting in October each year with Overview and Scrutiny Committee and Budget and Performance Panel invited.
- That the Outside Bodies Report to Council in May 2019 includes information on the expectation and obligations of Councillors appointed as Trustees.
- That information provided by organisations commissioning on behalf of the Council be circulated to Scrutiny Members on a and regular basis.
- That small grants administered by the Lancashire Foundation be allocated to Lancaster based organisations in the future.
- That a link to the Commissioning Framework be added to the Council's website and the Framework be added to the current bodies receiving Council funding and made available to other organisations to use on their websites.

The Committee did not agree to the Task Group's recommendations.

### **CUSTOMER SERVICES AND FUTURE COMPLAINTS POLICY INFORMAL TASK GROUP**

The Task Group's recommendation will be considered by the Committee on 3rd April 2019.

## **INFORMAL TASK GROUPS**

The Committee has also agreed to the formation of two new Informal Task Groups;

### **COUNCIL'S PROPERTY PORTFOLIO INFORMAL TASK GROUP**

At the December 2018 meeting the Committee agreed to the formation of an Informal Task Group to consider the Council's Property Portfolio and to ensure the Council achieves best value from the use of its buildings and land assets. The following Terms of Reference were agreed by the Committee in February 2019:

- To review the Council's current Property Policy and make recommendations based on the review.
- To consider the consolidation, rationalization and justification of the Council's assets in line with the priorities and visions as set out in the Council Plan.
- To consider how to increase returns, reduce costs and provide a more efficient property portfolio.
- To consider a process to undertake regular reviews of the Council's Property Portfolio.

### **EDEN (NORTH) INFORMAL TASK GROUP**

At the January 2019 meeting Members considered the Eden (North) Project and agreed to establish an Informal Task Group to consider Eden (North) and ensure the best future for Morecambe and the City Council whilst negotiating with Eden.

The following Terms of Reference were agreed by the Committee in February 2019;

- To consider the range of benefits for the local community.
- To explore the commercial benefits of the project.
- To consider the risks and consequences for the City Council.
- To ensure the best future for the district whilst negotiating with Eden.
- To consider how the District can benefit from the creation of Eden.

Councillors have been requested to advise if they wish to be members of the Task Groups. Once determined arrangements will be made for meetings to be held.

# HOLDING CABINET TO ACCOUNT AND CALL-IN

## HOLDING CABINET MEMBERS TO ACCOUNT

Overview and Scrutiny Members continue to hold Cabinet Members to account. This has taken place through the Call-in process and considering items of business at Overview and Scrutiny Committee, the Budget and Performance Panel and also through arranging for Cabinet Members to come to meetings to discuss issues and developments within Cabinet portfolios, as well as through meetings of Pre-Scrutiny Members.

### CALL-IN

Call-in is one of a number of ways in which Overview and Scrutiny can hold Cabinet to account.

The choice to 'Call-in' a Cabinet decision is used sparingly at the City Council, and with care.

The procedure ensures that, if necessary, decisions or proposals made by the Cabinet, a Cabinet Member, a Cabinet Committee, an Officer with delegated authority, or under joint arrangements can be thoroughly examined, amendments proposed, and full debate entered into by all Members. It is the view that call-ins are only used in exceptional circumstances. 'Exceptional Circumstances' are where members of the Overview and Scrutiny Committee have evidence which suggests that the decision in question has not been made in accordance with the principles set out in Article 13 'Decision Making' of the City Council's Constitution.

There have been two requests for Call-in this municipal year.

The first took place in May 2018 and related to a Cabinet decision relating to Executive Team: Roles and Structures. The outcome of the call-in was that the Committee recommended to Cabinet that (1) consultation on restructuring should be wider than the statutory consultation with those people directly affected, and (2) all informal consultations with Council Members should be minuted and reported in to Cabinet.

The second call-in of the year took place in August 2018 and was concerned with Cabinet decisions on the Budget Support Reserve - Proposed Allocations. Following discussions the Committee agreed to recommend that Cabinet considered its list of projects and the way in which the projects were prioritised at its next meeting. The Committee also asked the Constitutional Working Group to consider: (1) what should be referred to Cabinet or Council regarding spending of the City Council's Reserves; and (2) any additional parameters that should be set on the amount Cabinet can spend from the City Council's Reserves.

# APPOINTMENTS

At the request of Council, the Overview and Scrutiny Committee has made the following appointments to outside bodies.

## OUTSIDE BODY

## OVERVIEW AND SCRUTINY MEMBERSHIP

Homelessness Forum

Tracy Brown

Lancaster and Morecambe Fairtrade District Steering Group

Caroline Jackson

Museums Advisory Forum

Roger Mace

Representatives are asked to report back, if necessary, to the Overview and Scrutiny Committee on the work of these bodies.

# PRE-DECISION SCRUTINY

Pre-Scrutiny is the process mainly based on officers providing briefings on Cabinet reports and the study of the City Council's published 'Key Decisions' contained in the List of Forthcoming Key Decisions. With this information the Overview and Scrutiny Committee can select issues that add value and, if necessary, consider before a decision is taken.

Each year the Committee appoint a Councillor to the role of Pre-Scrutiny Champion. The current Pre-Scrutiny Champion is Councillor Caroline Jackson. Councillor Jackson meets regularly with the Chairmen and Vice-Chairmen of the Overview and Scrutiny Committee and Budget and Performance Panel.

This process can help to add value to decisions at the pre-decision stage, can widen consultation to include Non-Executive Councillors and it can also help to minimise the use of Call-in.

**The Overview and Scrutiny Committee welcomes the opportunity to submit a response during the consultation phase of a decision and encourages this approach.**



# ACKNOWLEDGEMENTS

The Overview and Scrutiny Committee and Budget and Performance Panel would like to thank the following for their contribution to the Scrutiny process during 2018/19:

- Cabinet Members who have appeared before Overview and Scrutiny bodies;
- Representatives from organisations, which have delivered presentations to the Committee/ Panel this year;
- Officers who have attended meetings and participated in the work of scrutiny;
- All current members of the Democratic Services Team.