

## **POLICY BRIEFING NOTE**

**Agenda  
Item No. 8**

**To:** Corporate Scrutiny and Performance Panel

**Subject:** Strengthening local democracy

**Date:** 15 September 2009

### **Purpose**

The Government has launched a consultation entitled 'Strengthening Local Democracy' which has significant implications for Scrutiny. This briefing note provides a summary of the consultation and those questions that relate to scrutiny, a copy of the full consultation can be accessed from the following link-

<http://www.communities.gov.uk/documents/localgovernment/doc/1306386.doc>

Or if you require a paper copy then please contact a member of the Performance and Scrutiny team.

The consultation sets out a range of proposals to promote democratic renewal and strengthen the power and responsibility of local government by:

- giving councils more scope to scrutinise the spending and decisions of local service providers;
- exploring whether there are barriers to using existing powers and whether there are other powers which councils should have;
- ensuring councils have the powers and responsibilities they need to tackle climate change;
- exploring how the powers and responsibilities of sub-regional structures should be matched by clear and accountable leadership; and
- exploring how to articulate, develop and support the relationship between central and local government so that respective functions are clear and transparent to citizens.

The Corporate Scrutiny and Performance Panel are asked to consider this consultation and provide their comments ahead of a formal response from the Chair of the Panel on behalf of the Scrutiny function within Walsall.

### **Recommendations**

- 1. That the Corporate Scrutiny and Performance Panel note the Strengthening Local Democracy consultation and consider the questions relating to scrutiny;**
- 2. That the Chair of the Corporate Scrutiny and Performance Panel, agrees the formal response to the consultation based on Members comments and in consultation with other Chairs.**

## **Background**

The government wants to give councils “the powers they need to act decisively and effectively on behalf of their citizens: the powers and ability to scrutinise, influence and shape other services”.

Councils are seen as ideally placed to take on additional powers because of the existing roles they already play such as:

- Strengthening local democracy – as the only public service providers with directly elected members they are best placed to provide local leadership and make sure that public services are being fairly and effectively delivered
- Promoting greater value for money – councils have proven that they can provide greater value for money, saving £4.5bn through efficiency measures since 2004. By giving councils greater oversight of all the money being spent in their area greater efficiencies could be achieved by reducing duplication, improving services standards and encouraging innovation
- Promoting economic development – councils play a key role in supporting their communities and have the ability to work with and lead other partners in preparing for economic recovery and future growth
- Delivering personalised services – it will become increasingly important to ensure that local services are delivered flexibly and in response to local needs something that local authorities already have experience in.

## **Chapter 1 – Local government at the centre of decision making**

The government envisions that local authorities will:

- Play a central role for citizens in delivering their entitlements and have flexibility and autonomy in meeting local needs
- Take on the responsibility for responding to emerging local challenges – particularly climate change and housing
- Take greater responsibility for scrutinising and oversight of public money spent on local service delivery in an area, in order to drive improvements in services and increase value for money

The consultation is clear that councils are not being strengthened for their own sake but to strengthen the rights of citizens through their elected representatives.

Specifically the government are consulting on a range of measures to promote democratic renewal and strengthen the power and responsibility of local government by:

- Strengthening council’s ability to lead and co-ordinate services in their area. It is proposed to give councils more scope to scrutinise the spending and decisions of local service providers
- Exploring whether there are barriers to using existing powers and whether there are other powers which councils should have
- Ensuring councils have the powers and responsibilities they need to tackle climate change

- Exploring how the powers and responsibilities of sub-regional structures should be matched by clear and accountable leadership
- Exploring how to articulate, develop and support the relationship between central and local government so that our respective functions are clear and transparent to citizens .

In practice these proposals would mean that:

- Councils take greater responsibility for co-ordinating service delivery in their areas, making sure that services are properly joined up and respond to local need
- Councillors are able to scrutinise and hold other services to account: other service providers would need to explain and justify their policies and spending

### **Strengthening council powers of scrutiny**

The Local Democracy, Economic Development and Construction Bill currently before Parliament will give additional powers to council scrutiny panels:

- Councils will be able to scrutinise other public bodies working with the council on the priority targets set out in the local area agreement
- Councils will be required to designate a dedicated scrutiny officer
- Residents will be able to appeal to the scrutiny committee if they are not satisfied with their council's response to a public petition

This consultation proposes strengthening these powers even further to give citizens' greater redress through the scrutiny process. This would mean:

- **Broadening** the number of bodies which can be subject to scrutiny committees: not limited to those responsible for health, crime and disorder or council functions, nor just those responsible for priority targets set out in the LAA
- **Enhancing** the powers which these committees have. Officers and board members could be required to appear in front of committee
- **Enabling** scrutiny committees to make reports and recommendations to a wider range of bodies for their consideration, and these bodies could be required to have regard to the recommendations and formally respond to scrutiny committees.

Subject to the responses received to this consultation the government propose to offer councils greater scrutiny over:

- Police strategies in local authority areas
- Fire and rescue authorities
- Local authorities' delivery of high quality educational provision
- Probation authorities
- Provision of public transport and infrastructure
- Jobcentre Plus
- Utility companies
- Young people's education and skills issues

## **Supporting the scrutiny function**

The consultation asks how the local government scrutiny function can best be supported. The document makes a number of suggestions including:

- To place a duty on council chief executives to ensure that committees have adequate resources to carry out their work
- To show a visible commitment to the importance of overview and scrutiny by ranking the position of chair of certain overview and scrutiny committees in the authority on a par with a cabinet post – this could include the special responsibility allowance for this post being equal to that of a cabinet member in the authority
- To give consideration to how elected members can be further involved in the full range of local public service activities
- To consider the additional training and support needs of scrutiny members and wider opportunities for sharing best practice

## **Chapter 2 - Strong local government operating in the local interest**

This chapter asks whether councils have the right powers to a) address the challenges their communities face today and b) to deliver improved and more efficient services for citizens. Specifically they want to know:

- Do councils require strategic functions to meet the needs of local people?
- Are there barriers to councils exercising the powers they already have?
- Can the central government inspection regime be lightened?

## **Chapter 3 – Local authorities tackling climate change**

The government would like to see councils taking a key role in meeting UK carbon targets and adapting to the consequences of climate change. Councils could build on their existing responsibilities for planning, transport, building control and waste and recycling management. Other potential areas for local government involvement include:

- Local carbon budgets
- Low carbon economic development
- Co-ordination of funding streams for low carbon activity e.g. working with energy suppliers to improve energy efficiency
- Support for local authorities who wish to offer innovative financing for energy efficiency and renewable energy e.g. developing local energy markets
- Empowering authorities to deliver cost effective and publicly supported infrastructure plans
- Using powers to levy a local Business Rate Supplement to raise funds for green projects
- Introducing minimum energy efficiency standards for housing
- Using planning powers to deliver low carbon communities
- Delivering low carbon transport strategies and promoting lower carbon transport

#### **Chapter 4 – Sub-regional working**

The government is concerned that sub-regional partnerships, bodies and other forms of working may be difficult for citizens to understand. In this section the government is asking for responses on how sub-regional working can be made more transparent and how sub-regional bodies and partnerships can be made more accountable to citizens. Questions asked are:

- Should the activity of sub-regional partnerships be required to be subject to scrutiny arrangements?
- Should councils' joint overview and scrutiny committees be able to require sub-regional bodies to provide them with information on the full range of their activities and to consider their recommendations on sub-regional matters?
- Should the duty to respond to petitions be extended to sub-regional bodies?
- Do current and planned models for joint working give people a clear enough voice in decisions that are made sub-regionally?
- How could the government go further to make existing and planned city and sub-regional structures more accountable?
- Should more powers and responsibilities be given to city and sub-regions? If so what powers and responsibilities should be made available?
- Is there a need for direct democratic accountability at the sub-regional level? What would be the best means of achieving this?

#### **Chapter 5 – Clear relationships with local government**

This section looks at whether the relationship between central and local government can or should be better articulated in a formal manner in order for citizens to clearly understand the different roles and responsibilities that each has.

A series of suggested principles are set out on page 48 and 49 of the full document. The government proposes that an ombudsman style arrangement is implemented to allow redress to citizens if these principles are not met. The consultation also proposes establishing a joint Parliamentary select committee to scrutinise broad adherence to the principles and make strategic recommendations for future policy.

## Summary of current and potential future scrutiny powers

Current powers	Potential future powers
<p>Information can be required from:</p> <ul style="list-style-type: none"> <li>officers of the council</li> <li>members of the council executive</li> <li>local NHS bodies in relation to planning, provision and operation of health services in the area</li> <li>police forces, Police authorities, fire and rescue authorities, probation authorities and parish councils in relation to crime and disorder functions</li> <li>LAA partner authorities where the information relates to an LAA target that the partner authority has signed up to (pending regulations)</li> </ul>	<p>Enabling scrutiny committees to use their powers to require LAA partner authorities to provide information on issues not directly related to LAA targets</p> <p>and</p> <p>Extend the power to require information from a wider range of authorities and bodies that carry out public services locally, for example to utility companies, and to sub-regional partnerships.</p>
<p>Attendance before the scrutiny committee can be required from:</p> <ul style="list-style-type: none"> <li>members of the council executive</li> <li>officers of the council</li> <li>officers of local NHS bodies</li> <li>officers or employees of police forces, police authorities, fire and rescue authorities, probation authorities and parish councils in relation to crime and disorder functions</li> </ul>	<p>Extend the power to require attendance to a wider range of authorities and bodies carrying out public services locally and to sub-regional partnerships.</p>
<p>Reports and recommendations can be made to:</p> <ul style="list-style-type: none"> <li>• the council</li> <li>• local NHS bodies and their relevant council</li> <li>• police forces, police authorities, fire and rescue authorities, probation authorities and parish councils</li> <li>• reports and recommendations can be copied to LAA partner authorities</li> </ul> <p>The current arrangements on receipt of scrutiny reports and recommendations vary. For example, LAA partners are required to 'have regard' to recommendations, but not required to respond formally, unlike the council, local NHS bodies or police forces etc.</p>	<p>Extend the power for scrutiny committees to make reports and recommendations to a wider range of authorities and bodies carrying out public services locally and to sub-regional partnerships.</p> <p>Extend the current arrangements to require a wider range of authorities and bodies carrying out public services locally to consider and formally respond to scrutiny reports and recommendations and to sub-regional partnerships.</p>

## **Summary of Consultation Questions relating to scrutiny**

1. Do you agree that central government should extend scrutiny powers in relation to Local Area Agreement (LAA) partners to cover the range of their activities in an area, not just those limited to specific LAA targets?
2. Does central government need to make scrutiny powers more explicit in relation to local councils' role in scrutinising expenditure on delivery of local public services in an area? If so, what is the best way of achieving this?
3. Do you agree that central government should bring all or some of the local public services as set out in chapter one, fully under the local authority scrutiny regime? Are there other bodies who would benefit from scrutiny from local government?
4. How far do you agree that central government should extend scrutiny powers to enable committees to require attendance by officers or board members of external organisations to give evidence at scrutiny hearings, similar to the powers already in existence for health and police?
5. What more could be done to ensure that councils adequately resource and support the local government scrutiny function to carry out its role to full effect?
6. How can council leaders ensure that scrutiny is a core function of how their organisations do business and have a full and proper role in scrutinising the full range of local public services?
7. What more could be done to better connect and promote the important role of local government scrutiny to local communities, for example citizens as expert advisers to committees?
17. Should the activity of sub-regional partnerships be required to be subject to scrutiny arrangements?
18. Should councils' joint overview and scrutiny committees be able to require sub-regional bodies to provide them with information on the full range of their activities and to consider their recommendations on sub-regional matters?

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