

Centre for Public Scrutiny: Annual Report to LGA for 2017/18

Purpose of report

For information.

Summary

The Centre for Public Scrutiny (CfPS) is commissioned by the LGA to support sector-led improvement by providing advice, guidance and support to local authorities on governance – with a focus on the operation of councils' overview and scrutiny arrangements.

The purpose of this report is to provide the LGA Leadership Board with an overview of the CfPS delivery of the LGA funding contract 2017/18. This also provides the Board with an update on broader CfPS developments and the focus for 2018/19. The summary below is supported by a copy of the CfPS Annual Report (**Appendix 1**) which is submitted to Companies House and the Charities Commission.

Recommendations

The LGA Leadership Board is asked to note and provide any feedback on the performance of CfPS.

Actions

As directed by Members.

Contact officer: Jacqui McKinlay
Position: Chief Executive, Centre for Public Scrutiny
Phone no: 020 3866 5102
Email: jacqui.mckinlay@cfps.org.uk

Centre for Public Scrutiny: Annual Report to LGA for 2017/18

Introduction

1. The purpose of this report is to provide the LGA Leadership Board with an overview of the CfPS delivery of the LGA funding contract 2017/18.
2. This paper also provides the Board with an update on broader CfPS developments and the focus for 2018/19. The summary below is supported by a copy of the CfPS Annual Report (**Appendix 1**) which is submitted to Companies House and the Charities Commission.

Background

3. CfPS was founded in 2003 by the LGA, the Chartered Institute of Public Finance and Accounting (CIPFA) and the Local Government Information Unit (LGIU). The aim at the time was for the Centre for be a national centre of excellence to support local government in delivering its scrutiny obligations. Since then it has established itself as the leading national voice on scrutiny within local government, and on a range of other issues relating to governance and decision-making across public services. Throughout that time CfPS has maintained a positive and close working relationship with the LGA.
4. Lord Bob Kerslake is Chair of CfPS and Cllr John Riley currently represents the LGA on CfPS's Trustee Board. The LGA Contract Manager for CfPS is Dennis Skinner, who also sits on the CfPS Advisory Board.
5. The grant award from the LGA to CfPS in 2017/18 was £180k. Finance and HR services are procured from the LGA (present annual cost of £36.4k) and three of the CfPS staff team are LGA secondees. Recruits after August 2016 are employees of CfPS, the CfPS team (both secondees and employees) team totals 6.5 FTEs. The business model for delivery is to create project teams which draw on a network of partners and experienced associates to meet the client's need.

CfPS Strategic Direction

6. Over the last three years, following the appointment of a new Chair and Chief Executive, the focus of CfPS has been to continue to proactively support local government, alongside diversifying into new sectors in order to create a financially sustainable organisation.
7. In relation to the LGA contract, there has been a transition towards a more improvement-focused role. Following a focus on major change and transformation, and latterly on the devolution agenda, there has been a significant shift towards closer working with the LGA on targeted improvement support to councils. Whilst this is working well overall, particularly for those councils who require significant support, there is still potential for closer working in some areas.

8. LGA funding also supports CfPS in its policy development and research role in relation to scrutiny and governance. This work resulted in a review of Combined Authority Scrutiny, guidance on legislation, allowed us to contribute to the CLG Select Committee review of local government scrutiny and to continue to develop our Local Public Accounts Committee proposal.
9. During 2017/18, CfPS was contracted to provide Sustainability and Transformation Plan support in local areas funded by NHS England. Consultancy and training provided to councillors and council officers continues to increase in value, in addition conferences are also arranged. This broader work, in both the public and private sector, is clearly of benefit to local government particularly as boundaries between the sectors diminish through collaboration and changing service delivery.
10. CfPS' continues to move in the right direction in terms of attracting new clients, increasing income and controlling expenditure. After a period of using reserves to invest in building a new team, moving office and marketing and communications, in 2017/18 we were close to balancing the books in real-terms. The reserves position means that it is crucial to breakeven this year. The half-year outturn is positive, but the next six months will be challenging.

2017/18 LGA Performance Summary

Improvement support

11. Quarterly updates have been provided to the LGA on our performance in 2017/18;
 - 11.1. support on improvement: 50 days of CfPS time are set aside, to be used on a "call off" basis by Principal Advisers to support improvement in councils. This is complemented by additional payment through grant outside of the core contract for support to councils in priority need; and
 - 11.2. helpdesk support: CfPS provides support to those working in governance and scrutiny (including councillors) in local government, on demand, by phone or e-mail.
12. Crucial to the successful delivery of CfPS support is the need to engage with the LGA's sector-led improvement offer, being directly involved in the work of Principal Advisers and the Peer Review process.

Other support delivered as part of the core contract

13. The LGA grant also supported the delivery of the following in 2017/18;
 - 13.1. research on the first six months of combined authority scrutiny;
 - 13.2. a guide to legislation relating to scrutiny and governance in local authorities;
 - 13.3. research on the governance of complexity;

- 13.4. an update to our proposals relating to local Public Accounts Committees (based in part on a roundtable meeting);
 - 13.5. our 2017 scrutiny perceptions survey; and
 - 13.6. a range of shorter research outputs, usually in the form of blogposts. This included, for example, research on the gender balance of combined authority scrutiny committees:
14. CfPS also engaged fully in the CLG Select Committee's inquiry into the effectiveness of local overview and scrutiny, providing a detailed and comprehensive written response to the call for evidence and following this up with oral evidence in the autumn.

Other support delivered separately to the core contract

15. In 2017/18 we delivered several pieces of paid work outside of our core contract. These were:
- 15.1. Research on the scrutiny of councils' work on countering extremism, and the Prevent duty. There were delays to the publication of this work, mainly owing to uncertainty around the Government's plans around extremism, but also relating to our being able to produce research on the subject of a quality that met the LGA's standards and expectations. We have developed a new approach to research commissioning, design, oversight and delivery to mitigate these potential issues in future.
 - 15.2. Research on alternative delivery vehicles in children's services. This work was published in late 2017; an evaluation of its work is planned as part of our work during early 18/19. It feeds into our plans for 18/19 on the governance of complexity.
 - 15.3. An independent governance review of the Royal Borough of Kensington and Chelsea Council. The review was commissioned by the council as part of their response to Grenfell Tower. It focused on all aspects of democratic decision-making and how the public are involved in decision-making. The evidence gathering took the form of interviews, focus groups, resident and council surveys and attendance at community meetings. The final report was submitted to the council in March 2018.
 - 15.4. A follow-up event for those involved in Combined Authority scrutiny took place on 31 January in Birmingham. It was well-attended and received. It has led to the LGA commissioning CfPS further, in 18/19, to support a Combined Authorities Governance Network.
 - 15.5. A piece of work on housing scrutiny, which was commissioned in 2017/18 but delivered in 2018/19.

Our approach to evaluating our work

16. CfPS constantly keeps under review how the impact of its work is evaluated. In previous years we have used our annual survey as the primary source of evidence for this evaluation but in an attempt to keep the length of this survey down we tend now not to. Instead, we use a variety of different techniques to evaluate, including:
 - 16.1. Evaluation forms following meetings and events. These show a consistently excellent level of satisfaction and engagement with our training offer, and events funded by the LGA.
 - 16.2. Follow-ups with councils where we have provided advice, guidance and support. Depending on the support we have provided we will generally follow up qualitatively with councils six months or a year following that support. In most instances we can demonstrate that our support has a direct, positive impact on the quality of scrutiny in those authorities. Because of the lead times involved this can involve a lag in our reporting and analysis of this data.
 - 16.3. Download figures for our publications. Although a blunt tool in itself, download figures can give us a useful sense of the reach of our publications, particularly when seen alongside other quantitative data, such as the number of people signed up to our mailing list and survey response figures.
17. Feedback received at regional scrutiny meetings and other networking events. Although informal and qualitative in nature, these face-to-face opportunities for feedback are important for us in understanding the needs of the core audience of scrutiny practitioners who we serve. Regional scrutiny networks exist in most English regions and we commit to attending each at least once (and usually twice) annually.
18. Through our Helpdesk support during the year we provided guidance and information to 54 councils. 20 of the approaches were dealt with substantively at the time, as they were queries requiring mainly signposting and technical advice. The remaining 34 were on more complex issues, mainly requiring advice on the intersection between scrutiny, governance, party politics, organisational development etc.
19. Direct support of 50 days was used across 10 councils; Ashford, Cambs & Peterborough, Dacorum, Dorset, Harrow, Kensington & Chelsea (work in addition to governance review), Milton Keynes, North Kesteven, Thurrock & Uttlesford, ranging from 1 days' support to over 12. Feedback from them on our assistance was universally positive. We have fed back directly to Principal Advisers on the specific outcomes of this support council-by-council.
20. Detailed figures relating to the above are reported regularly to our Board, and to individual Board members. The LGA also has a Trustee representative on the CfPS Board and a place at the Advisory Board. Some are also included in the Annual Report attached.

2018/ 2019 – LGA Work Programme

21. CfPS's work in 2018/19 is focusing on three areas;

- 19.1 Improvement support (accounting for 50 days of CfPS time expended on supporting councils across England). This is occasionally supplemented to separate payment through grant, as described above;
- 19.2 National improvement support – this includes bolstering our approach to gathering and sharing good practice. It also includes sustained work on the scrutiny of issues relating to finance (including budget scrutiny, and financial resilience more generally);
- 19.3 Additional work as required – so far this year this has included: support for Northamptonshire County Council, support for Kingston Council, further support for Royal Borough of Kensington & Chelsea, revised guidance on the operation of Police and Crime Panels and funding to create a Combined Authority Governance Network.

Next steps

22. The Leadership Board's feedback on CfPS' performance and areas of focus is welcomed.