

18 March 2014

Centre for Public Scrutiny

Purpose

For discussion and direction.

Summary

This report updates members about how the Centre for Public Scrutiny and LGA propose to work more closely together.

Recommendations

Members are invited to:

- i. note the report;
- ii. comment on the draft outline collaboration programme (at Annex A) setting out some headline activities and projects CfPS proposes to carry out; and
- iii. comment on the proposals for local Public Accounts Committees, in the context of the LGA's Rewiring proposals for an area based approach to local public finance.

Action

Officers to progress in the light of members' views and report back to the Board at appropriate intervals.

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Centre for Public Scrutiny

Background

1. The Centre for Public Scrutiny (CfPS) was co-founded by the LGA in 2003. The Centre became a registered charity in 2010 with the following strategic aims:
2. To promote public scrutiny, accountability, transparency and involvement for the public benefit, through:
 - 2.1 advancing education in the principles and practice of public scrutiny and accountability, maintaining a national centre of expertise and promoting national debate and networks; and
 - 2.2 promoting the development of and improving the practice of public scrutiny and accountability within government and public services, including promoting standards of professional practice.
3. The Centre's Strategic Plan is publicly available on the CfPS website and is available here: <http://www.cfps.org.uk/publications?item=11578&offset=0>
4. The LGA has had a long-standing relationship with CfPS which has been of benefit for both organisations. LGA's financial contribution enables CfPS to deliver support for scrutiny, accountability and good governance, which in turn further benefits LGA member councils, for example CfPS's long-running Department of Health funded support for health scrutiny and patient and public involvement in health and social care services.
5. Last year the evaluation of the LGA's sector self-improvement work to date found that 54% of all respondents (rising to 67% of Leaders and 76% for Chairs of Scrutiny) were aware of CfPS and of those, 79% were satisfied with the services provided by CfPS.

Working more closely together

6. The opportunity to work more closely together, to better support the sector, reduce duplication, fill gaps in provision and achieve greater efficiencies, has been identified.
7. Last year following a review of CfPS's work both organisations have agreed a new process for bringing further clarity about the outcomes CfPS will deliver for LGA and the contribution it will make to LGA's sector self-improvement agenda, particularly around local accountability and the role of local councillors.
8. Three broad areas where this is felt to offer the greatest potential have been identified, they are - 'themes', 'places' and 'process', as follows:

“Themes”

9. **Scrutiny** - helping councils develop and manage their scrutiny processes to greater effect, through CfPS's on-line services, network support and practical guides, and contributing to other LGA programmes / events where inputs around scrutiny are required.

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'Community Councillors': working with the LGA leadership team and Political Group Offices to develop the offer of support and programmes for non-Executive Councillors.

10. **Governance:** i) supporting councils with changing and implementing governance arrangements, including returning to Committee-based (as opposed to Executive) structures and ii) increasingly, support for places establishing, reviewing (or making sense of) place-based and commissioning-based governance arrangements
11. **Standards:** piloting the 'Ethical Governance Audit', a newly developed tool for analysing and improving behaviours, set against espoused values.
12. **Induction:** contributing to councils' induction programmes, where a particular focus on Governance and scrutiny is felt helpful.
13. **Rewiring:** contributing to the developing thinking on the appropriate governance model(s) required to support the Local Treasury approach and the work on 'Consumer Champions' (links to 'Community Councillors' theme above).

"Places"

14. Support for individual places, following referral by the LGA Principal Advisers. This might arise, for example, as a result of a Corporate Peer Challenge (CPC) and as part of the CPC follow-up and/or as bespoke and specific follow-up to Ofsted, Serious Case Reviews, or Safeguarding Peer Challenges.

"Process"

15. Practical mechanisms to support closer working, including
 - 15.1 Co-produced and mutually agreed annual Business Plan in relation to CfPS's local government work, by March each year;
 - 15.2 An annual report to the LGA Leadership Board; and
 - 15.3 Quarterly meetings with Executive Director, Head of Leadership and Productivity and Peer Challenge Manager and monthly meetings with the Head of Leadership and Productivity.
16. A formal LGA/CfPS Agreement along these lines is due to be submitted to the LGA Leadership Board and LGA Executive in March, following which it is envisaged that the LGA Improvement and Innovation Board will oversee the operation of the agreement and will receive regular reports about the work of CfPS.
17. A draft outline collaboration programme setting out some headline activities and projects CfPS proposes to carry out, on which members' views are sought, to enable further refinement and prioritisation of this programme is **attached at Annex A**.

Local Public Accounts Committees

18. As part of our *Rewiring* Campaign the LGA is making proposals for an area-based approach to local public finances, establishing a level of decision-making that allows each place to manage local tax and spend and drive growth, thereby giving local people a more meaningful local vote on a wide range of tax and spending decisions and strengthening local accountability.

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19. Alongside these proposals CfPS has suggested that, if there is to be further devolution into place-based finance, as it believes there should be, then local places need their own 'accountability systems', accountable and transparent to local people and operating at local level. It has suggested that powerful, independent, local Public Accounts Committees, with oversight over all public expenditure in the local area, would provide crucial assurance to central government that funding and freedom to spend it in accordance with locally agreed plans can safely be devolved further. CfPS has developed some initial thoughts on how this might work which are set out **at Annex B, attached.**
20. Member's views are invited on CfPS's proposals for Local Public Accounts Committees.
21. The LGA has announced the intention, with CIPFA, to establish an independent commission into local government finance and to work with local areas to develop the practical details underpinning an area-based approach to local public financing. It is hoped that it will be possible, as part of this further work, to explore the opportunities to work with CfPS to develop the thinking around local Public Accounts Committees.

Next steps

22. Officers to progress the work in the light of members' views and report back to the Board at appropriate intervals.

Financial Implications

23. There are no additional financial implications arising as a result of this report.