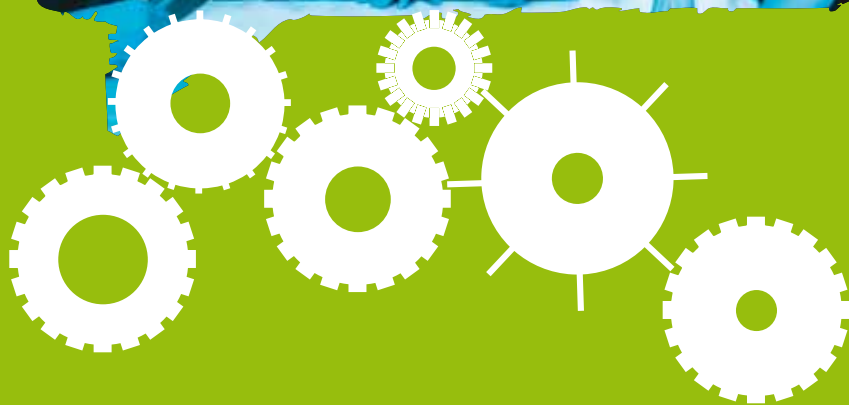


# Working better together?

Key messages for councils' overview and scrutiny functions



**The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.**

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**As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.**

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**We welcome your feedback. If you have any comments on this report, are intending to implement any of the recommendations, or are planning to follow up any of the case studies, please do get in touch: please email [nationalstudies@audit-commission.gov.uk](mailto:nationalstudies@audit-commission.gov.uk)**

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# Using this briefing

- 1 In January 2009 the Audit Commission published *Working Better Together? Managing local strategic partnerships*.
- 2 This briefing identifies the roles of overview and scrutiny in partnership working, gives examples of good practice, and sets some questions for overview and scrutiny members to challenge local strategic partnership (LSP) performance and aid improvement.
- 3 It is intended for members of overview and scrutiny committees, task groups and panels, and officers supporting scrutiny work.
- 5 The Local Government and Public Involvement in Health Act 2007 (LGPIH) reinforced the role of LSPs. It introduced statutory local area agreements (LAAs) and a duty on named partners to cooperate. LAAs focus attention on those local SCS priorities that are agreed with central government, that are measured by the national indicator set, and on local indicators, and that can be progressed within three years. This makes partnership working crucial. The 2007 Act also introduced comprehensive area assessment to review how local service providers work together to improve local outcomes.

## Background

- 4 Over the last two decades, formal local partnerships have developed to deal with deep-rooted and long-term local problems. Their evolution reflects changing national and local policy objectives. Starting with initiatives that brought new money to regenerate urban areas in the 1990s, they have developed through a focus on social policies to their current role in leading and coordinating public services in their area. The locally agreed sustainable community strategy (SCS) lays out the long-term priorities for each LSP. While LSPs are voluntary arrangements, it is virtually impossible for councils to work effectively without them.
- 6 LSPs have a responsibility to bring together local services to deliver a shared vision for the area. But creating highly effective partnerships is difficult and LSPs operate across a complex policy environment. Most are still developing, and each has its own unique history and challenges. There is no single model that will guarantee future success.
- 7 LSPs are accountable to their member organisations and, through them, to local people. Governance arrangements must reflect these accountabilities rather than burden partnerships. Councils' overview and scrutiny arrangements have an important role in holding LSPs to account. This briefing will help you to develop that role.

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# Overview and scrutiny and LSPs

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- 8** Overview and scrutiny enables councils to hold LSPs and their partners to account for local action and local public spending. The LGPIH Act 2007 (and the Police and Justice Act 2006) enables councils to scrutinise the activities of LAA named partners. This builds on earlier powers to scrutinise the work and impact of other agencies (Local Government Act 2000, Health and Social Care Act 2001).
- 9** In multi-tier areas the LGPIH Act also enables county councils to establish a joint scrutiny committee with one or more districts and enables district councils to require information from partner authorities and to make reports or recommendations to the county council or executive on matters relating to an LAA target.
- 10** Democratic involvement in, and scrutiny of, LSPs is a fundamental part of their accountability to local people. Overview and scrutiny of LSPs can demonstrate accountability and improve performance.
- 11** Councils need to be clear about their objectives for overview and scrutiny of their LSP. Overview and scrutiny of LSP activity can:
- focus on one-off activities or events;
  - review LSP systems and risks;
  - assess performance in different LSP themes; and
  - review performance data from LSPs and partners.
- 12** Some areas have developed scrutiny processes that reinforce the democratic oversight of the different layers of collaborative working (Case study 1). In multi-tier areas overview and scrutiny can provide an additional bond to strengthen collaboration between partners working in a multi-tier environment (Case study 2).
- 13** Some councils have recognised elected members' needs for better understanding of, and engagement with, LSPs through training and development activity. In Derby, the City Partnership trains partner representatives and scrutiny members together so they can improve LSP performance and risk management.

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## Case study 1

### Oldham MBC improves scrutiny of partnerships.

In late 2006 elected members in Oldham reviewed their overview and scrutiny arrangements. Members agreed that previous arrangements were inward looking and had no links to the Oldham Partnership. The council agreed a new structure in early 2007.

Oldham now has three elected member scrutiny bodies (scrutiny management board, performance and value for money select committees, and the project board). The scrutiny management board manages all overview and scrutiny. It decides on the issues to cover and its remit includes the LAA and the Oldham Partnership (which can suggest topics for scrutiny). It holds the performance and value for money select committee and the project board to account. It can also request Oldham Partnership to undertake scrutiny reviews. The chair of the Oldham LSP board (currently a local community representative) is a member of the scrutiny management board.

The 2007-08 work programme included scrutiny reviews of underage drinking and the impact of vacant and derelict land on neighbourhoods. It enabled councillors to inject new ideas into, and develop policy for, the LSP theme groups and operational partnerships.

The review of vacant and derelict land recommended the completion of a 'land bank' of vacant and derelict land and buildings; and the transfer of council-owned sites to social or community use.

The new structure costs about £42,000 a year to run (the same as the previous arrangements).

Source: Audit Commission, 2008

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# Overview and scrutiny and LSPs

## Case study 2

### A county approach to partnership scrutiny.

In Dorset the chairs and vice-chairs of the scrutiny committees of the county council and the six district councils meet as an informal networking group. In November 2006, the group decided to undertake a joint scrutiny of the Dorset Strategic Partnership (DSP). The County Council's audit and scrutiny committee led the scrutiny, and the six district councils participated. The group met monthly to scrutinise:

- support and development of the DSP;
- performance management arrangements of the DSP and the LAA;
- community strategy implementation;
- DSP governance and use of resources; and
- the future role of scrutiny to monitor and develop the partnership.

The review recommended:

- a DSP communications strategy to raise its profile and achievements (including regular information to all elected members in the county);
- training for DSP board members to increase their understanding of resources;
- a performance framework for the thematic partnerships; and
- a programme of reviews of each district LSP and its community planning capacity.

The LSP and partners accepted the recommendations. The LSP has now developed a communications strategy and work is ongoing to develop a performance framework.

Source: Audit Commission, 2008

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# Learning from good practice

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**14** Working Better Together? identifies key aspects of scrutiny practice that could be adapted and adopted by councils:

- Using scrutiny at the strategic, executive, and operational levels to reduce the democratic deficit in the LSP.
- Involving partner organisations on scrutiny panels.
- Developing training for overview and scrutiny members that include introductions to the work and governance of key partners.
- Developing joint training for overview and scrutiny members and members of partner organisations to encourage mutual understanding.
- Using overview and scrutiny to identify risks to LAA delivery and to recommend action to mitigate those risks.
- Organising joint council scrutiny of the LAA in a multi-tier area.

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# Questions to improve the role of overview and scrutiny in LSPs

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**15** The following questions and traffic light coded responses should help LSPs and overview and scrutiny members improve the way they work together.

Where responses are red or amber, action planning is required to develop the overview and scrutiny function.

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## How well do elected members communicate back to their executives, councils, and party groups?

|              |  |
|--------------|--|
| <b>RED</b>   | Limited or no communication between elected members on the LSP and wider parties.                                |
| <b>AMBER</b> | Elected members report back to cabinet members but limited feedback to front-line councillors on the LSP or LAA. |
| <b>GREEN</b> | LSP and LAA performance are discussed at cabinet and scrutiny meetings. Good feedback to front-line councillors. |

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## How well do elected members on overview and scrutiny challenge your LSP and its partners?

|              |   |
|--------------|---|
| <b>RED</b>   | Limited or no challenge from overview and scrutiny to the LSP and its partners on either LSP or LAA performance.  |
| <b>AMBER</b> | Some challenge by overview and scrutiny on LSP performance or LAA delivery but this is not yet effective. Partners are yet to fully support this democratic role.                     |
| <b>GREEN</b> | Overview and scrutiny effectively challenges LSP performance and LAA delivery. It can provide democratic challenge at each layer of the LSP. Partners support this challenge process. |

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## How effective is the policy development role of overview and scrutiny in influencing joint working through the LSP?

|       |  |
|-------|--|
| RED   | Limited or no effect from the policy development role of overview and scrutiny on our LSP.   |
| AMBER | Some service reviews recommendations have influenced LSP partners at operational group level.  |
| GREEN | Overview and scrutiny is effective in influencing policy direction for our LSP at executive and board levels. This has led to evidence-based improvement to joint working. |

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## How robust is your LSP's (and partners') approach to delivering performance against LAA targets?

|       |  |
|-------|--|
| RED   | We don't have a delivery plan across the LSP. LAA delivery is being taken forward by the lead agencies with minimal reporting to the LSP.  |
| AMBER | We have delivery plans for the operational groups. Some gaps in arrangements have not been assessed. We are sometime subject to overview and scrutiny. Reports are provided to the executive and the board but performance is not always integrated with risk and resource management.   |
| GREEN | There are delivery plans for each LAA target. Delivery chain analysis has identified gaps in arrangements and mitigation measures are in place. Accountable organisations and lead managers are identified for each LAA target. SCS and LAA delivery plans have senior managers responsible for performance. They report performance, risk and resources to the operational groups and to the executive and board on an exception basis. Overview and scrutiny is used to challenge performance. |

# Questions to improve the role of overview and scrutiny in LSPs

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## How does the LSP ensure there is accountability, through its member organisations, for its actions?

|       |   |
|-------|---|
| RED   | The LSP has no formal systems – by default it relies on members' governance structures.   |
| AMBER | The LSP includes complaints and redress in its governance arrangements. It provides an account of its success as part of its annual review.   |
| GREEN | The LSP has a layered approach to accountability. It gives an account of its activities, successes and failure to its members and the public. It responds to overview and scrutiny challenge. It has a light-touch complaints and redress system which the executive uses to report performance to the board. |

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## How well are elected members involved in challenging LAA performance through the scrutiny process?

|       |  |
|-------|--|
| RED   | Elected members have limited or no involvement in challenging LAA performance outside the council's services.  |
| AMBER | Overview and scrutiny is developing but tends to be ad hoc. There is no arrangement for the LSP to recommend topics for scrutiny. The LSP and partners have developed protocols for responding to scrutiny recommendations. Some partners are still suspicious of the overview and scrutiny role.                            |
| GREEN | There is a clear process for planning overview and scrutiny of the LSP. There are protocols for responding to scrutiny recommendations. Partners are bought into the scrutiny process. Elected members have received training on LAA and performance challenge and have the support to enable them to challenge effectively. |

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## Further information

Copies of the national report *Working Better Together? Managing local strategic partnerships* are available at [www.audit-commission.gov.uk/lsp](http://www.audit-commission.gov.uk/lsp) and [www.improvementnetwork.gov.uk/lsp](http://www.improvementnetwork.gov.uk/lsp)

We welcome your feedback. If you have any comments on this briefing, are intending to learn from the good practice, or are planning to use the improvement questions, please do get in touch: please email [nationalstudies@audit-commission.gov.uk](mailto:nationalstudies@audit-commission.gov.uk).

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More detailed governance questions are available in the complementary governance product

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