

LONDON BOROUGH OF MERTON

ANNUAL SCRUTINY REPORT

2004/5

# **SCRUTINY ANNUAL REPORT 2004/5**

## **CHAIR'S FOREWORD**

To be agreed with Chair

## **PART ONE – OVERVIEW AND SCRUTINY IN 2004/5**

### **Overview and Scrutiny Commission Membership:**

The Commission was chaired by Councillor Ian Munn, with Councillor David Williams as Vice-Chair.

Statutory co-optees on the Commission (with voting rights on education matters) were Andrew Boxall (parent governor), Ravi Karup (parent governor, replaced Alex Murray part way through 2004/5), Rev David Monteith (Diocesan representative), and Chris O'Connor (Diocesan representative).

Merton's Overview and Scrutiny Commission has continued to play an important role during this year. Our agendas have become more focussed upon the important and strategic issues, and our reduced membership of 10 councillors has provided a clearer focus. This year we had 6 Overview and Scrutiny Panels to assist the Commission in its work:

- Life Chances
- Health and Community Care Services
- Way We Work
- Regeneration and Public Realm
- Street Management
- Borough Development

The remits of the Panels were adjusted slightly in order to balance the breadth of responsibilities. This has been of particular benefit to the Life Chances Panel who had found the breadth particularly challenging to cover. The combination of health with community care services has worked well although the health agenda continues to grow. The work on the statutory joint health committee with Sutton and Mid Surrey on the reconfiguration of health services in South West London, has increased significantly our understanding of health services locally, empowered us to challenge proposals confidently and will hopefully lead ultimately to health gain for residents. The health work was more than equivalent to doing one scrutiny review and we therefore agreed the following as the remaining programme:

- Transition process for young people moving from Children's to Adult Social Care Services
- Voluntary Sector Funding
- Procurement
- Local Implementation Plan (LIP)

In addition to considering performance monitoring reports, reports on progress with improvement plans, and budget monitoring and planning reports, the Commission has also examined the following major issues:

- Future of healthcare in South West London (Better Healthcare Closer to Home)
- Wimbledon Theatre
- Emergency Planning
- Risk Register
- Implementation of the Children's Bill
- Best Value Review of Accommodation
- New Localism
- Audit Commission reports (performance management, procurement, risk management, customer access)

### Performance management

This has been an area still to be identified by external inspections as requiring improvement, especially to differentiate between the roles of Scrutiny and the Executive. In 2004/5, the Commission set up a task group of the Chair and Vice-Chair of the Commission to review the quarterly performance monitoring reports, undertake initial scrutiny and advise the Commission if further more detailed scrutiny is necessary. This has led to useful detailed scrutiny of education and social services and a greater confidence that sufficient time has been allocated for examining the performance monitoring reports in detail. The Audit Commission has acknowledged this task group as a positive step forward.

The Commission reviewed its approach to performance management and decided in 2005/6 also to:

- review departmental service plans at the beginning of the year and formally consider how well they are being delivered halfway through the year
- receive a report on the delivery of the Local Public Service Agreement targets at each meeting
- monitor the implementation of action plans arising from key inspections.

### **Overview and Scrutiny Panels Membership (6 Panels):**

#### **Life Chances Panel:**

Councillor Nick Draper chaired this Panel with Councillor Debbie Shears as Vice-Chair.

The Panel membership also included the four statutory education representatives: Andrew Boxall (parent governor), Ravi Karup (parent governor, replaced Alex Murray part way through 2004/5), Rev David Monteith (Diocesan representative), Chris O'Connor (Diocesan representative). The Panel also agreed to a number of non-statutory representatives: Val Kenny (Headteacher representative), Barbara Harper (Teacher representative, replaced Bernard Lyons part way through 2004/5), Henry Macauley (Merton Governors Council representative), Dominic Leeson (Youth Parliament representative), Julie Tubman (Youth Forum representative).

Life Chances Panel has considered the following key issues during 2004/5:-

- ❑ Youth Service Inspection and Action Plan
- ❑ Charging Policy for Children's Services
- ❑ Review of Inclusion and Learning Continuum
- ❑ SEN Transport
- ❑ Libraries Position Statement
- ❑ Children's Bill
- ❑ Revised SEN Policy
- ❑ Adult Education Inspection
- ❑ Monitoring of action plans arising from previous scrutiny reviews on:-
  - SEN\_transport services
  - Disproportionate number of excluded pupils from black and ethnic minorities

**Regeneration and Public Realm Panel:**

Councillor Mary Dunn chaired this Panel and Councillor Tariq Ahmad was Vice-Chair.

Although it was a difficult year for this Panel due to the illness of the Chair, the Panel has undertaken some useful work, including monitoring the housing improvement programme and the introduction of patchworking arrangements. The local environment remains a main area of concern for residents and the Panel has recognised this in what they have chosen to examine.

Some of the key areas focussed upon were:

- Waste containment and collection options
- Patchworking arrangements for refuse and recycling collections and street cleansing operations
- Merton open space strategy
- Voluntary sector support and grants
- Housing revenue account

**Health and Community Care Services Panel:**

Councillor Sheila Knight chaired this Panel, with Councillor Gilli Lewis-Lavender as Vice-Chair.

In addition to presentations made at Panel meetings by local NHS trusts, the following key issues have been scrutinised by the Panel during 2004/5:-

- ❑ Learning Disability Inspection Report
- ❑ Future Mental Health Services
- ❑ PCT Business Plan including funding for local NHS Trusts
- ❑ Integrated Services (mental health and learning disability services)
- ❑ South West London and St George's Mental Health Trust budget
- ❑ Supporting People Five Year Strategy
- ❑ Independence, Well-Being and Choice – Adult Social Care Green Paper

**Way We Work Panel:**

The Panel was chaired by Councillor Leighton Veale, with Councillor Peter Southgate as Vice-Chair.

This year the Panel has focussed upon the following key areas:

- Budgetary Control
- Use of consultant and agency staff
- Employment issues

**Street Management Panel:**

The Panel was chaired by Councillor Judy Saunders with Councillor Horst Bullinger as Vice-Chair.

This Panel has concentrated on a range of local controlled parking zone proposals (CPZs), road safety schemes and traffic management improvements. Such issues generate interest from members of the local community and members have received deputations for some of the schemes. This Panel has therefore made a significant contribution to community engagement in the scrutiny process. For 2005/6, Street Management Panel will cease to be a scrutiny panel and will become a sub-committee of the Cabinet.  
(See Part 4 of this report).

**Borough Development Plan Panel:**

Councillor Dennis Pearce chaired this Panel, with Councillor Maurice Groves as Vice-Chair.

This Panel has focused specifically on:-

- The Local Development Framework (LDF) for Merton 2004/7.
- Proposals for the preparation of Merton's Statement of Community Involvement (SCI) in relation to preparation, alteration and continuing review of all local development documents and planning applications.

## **PART TWO – THE POWER OF HEALTH SCRUTINY**

This power underpins a local authority's responsibility to promote social, economic and environmental well-being of the local community. Health Scrutiny requires close joint working with partners such as PCT, health trusts, community care, voluntary organisations, PPIFs and other local authorities in the case of joint health scrutiny.

During the last year, Merton has been fully involved in the joint health scrutiny committee set up to scrutinise major health proposals as part of the Better Health Care Closer To Home project, with Sutton and with East Elmbridge & Mid Surrey. Five elected members were appointed from Merton's Health and Community Care Services Scrutiny Panel to this joint health committee (led by Sutton) which held its meetings in public, alternating between venues in Sutton, Merton and Surrey. Members heard evidence from a range of health practitioners, staff, patients, PPIFs and the public. The joint committee has reported on its conclusions in relation to the consultation process led by S&MPCT, having determined that the consultation process was adequate overall(notwithstanding some specific concerns).

The joint committee will continue to meet during the forthcoming year to consider proposals around local health services which will be emerging from the Health Programme Board over the coming weeks.

#### Location of Critical Care Hospital

The Better Healthcare Closer to Home proposals involve the rearrangement of health services across Merton, Sutton and mid Surrey with a network of local care hospitals and a single critical care hospital for the region (instead of the several at present). Although fully involved in the joint statutory health committee and committed to the proposed model of care, there was concern over the proposal to locate the critical care hospital for the project at Sutton Hospital. Residents who had responded to the consultation and the analysis of alternative locations included in the consultation document had indicated a preference for its location at St Helier. The joint committee had decided there was insufficient evidence to decide upon the location of the hospital and therefore decided not to consider it. The Health Programme Board decided they wished to locate it at Sutton Hospital alongside the Royal Marsden Hospital and the Council did not believe this had been justified. Merton's Overview and Scrutiny Commission took an unusual step in March and decided to make its own representations to the Secretary of State under regulation 4(7) of the Health and Social Care Act 2001 and the Local Authority Regulations 2002 asking for the health proposal to be re-examined. The Minister's decision is awaited.

#### **Future Health Scrutiny: Joint Health Scrutiny Committee for Specialist Mental Health Services**

The South West London and St George's Mental Health NHS Trust is proposing changes to specialist mental health services provided by the Trust nationally. As the affected local authorities within South West London consider these proposals to be substantial variations to services, a period of formal consultation will be required (to be led by Richmond & Twickenham PCT). A joint mental health overview and scrutiny committee has been formed which comprises members nominated from 5 boroughs covered by the Trust: Kingston, Merton, Richmond & Twickenham, Sutton and Wandsworth (the lead authority due to largest number of patients accessing Trust mental health services and being the borough in which the Trust is based). In addition, although Croydon mental health services are largely provided by South London and Maudsley Mental Health Trust, Croydon has one representative on the joint committee, in acknowledgement of a small number of patients using the Trust's services.

The joint committee commences its meetings in May 2005. It will consider the consultation process and the proposed changes to specialist mental health services and will report on its conclusions in due course. It has the power to refer the proposals to the Secretary of State for Health, if it considers that the consultation process has been inadequate, or that the proposals will not meet the health needs of the local population served by the Trust.

## **PART THREE – SUCCESSFUL SCRUTINY OUTCOMES**

### **Pre-Decision Scrutiny**

The Overview and Scrutiny Commission and Scrutiny Panels undertake of issues on which a decision is to be taken in the near future. This allows members to have meaningful input into decision making. It also allows members of the public the opportunity to express their views on specific issues being scrutinised.

The following are examples of where scrutiny has influenced the decisions being made through pre-decision scrutiny being undertaken at scheduled meetings, either by the Commission or by the appropriate Panel:-

#### **◆ *Charging Policy for Children's Services :***

Life Chances Scrutiny Panel on 23<sup>rd</sup> June 2004 considered the consultation process undertaken on proposals to introduce a charging policy for delivery of Children's Services. Representations were made at the meeting by members of the public and parent groups, as a result of which the Panel determined that the consultation process had not been adequate in terms of engagement, because an insufficient number of stakeholders had been contacted. Cabinet member agreed to revised/further consultation. Having considered the outcome, the Panel requested reconsideration of the threshold. As a result, the charging policy was approved by the Cabinet Member, with the income threshold raised from £13,500 to £17,000 per annum.

#### **◆ *Voluntary Sector Grant Funding 2005/6 :***

The Regeneration and Public Realm Scrutiny Panel considered the proposed voluntary sector grants allocation for 2005/6 on 6<sup>th</sup> December 2004. In response to deputations presented by four voluntary sector groups, the Panel recommended that additional grant funding be allocated. Subsequently, £17,000 of additional funding was approved in total for three groups, with agreement to reconsider funding requirements for the fourth group, depending on developments with regard to the group's accommodation.

#### **◆ *Budget 2005/6 :***

This is an area in which scrutiny can improve. This year, at Members request more information was provided ahead of the receipt of budget proposals. There was a briefing for each Scrutiny Panel on the process and a budget pack was prepared for each illustrating the budget, staffing and current issues for each of the functions they cover. Scrutiny Members did not take full advantage of this detailed information to examine issues in some depth and still felt unsatisfied when provided with the detailed budget proposals. Nevertheless, having scrutinised the budgets, the main concerns were:

- That the proposed savings to be made from the adult community care budget, which was used to support very vulnerable clients, could not be

delivered without impacting upon the quality of service. In response to this concern, the Cabinet identified an additional £800,000 as a contingency sum to accommodate further pressures on the budget. Both the Way We Work and the Health & Community Care Panels have chosen to closely monitor the situation during 2005/6

- Around proposed cuts in voluntary sector funding to which the Cabinet responded by adding £17,000 funding (see paragraph).

It has been recommended that budget scrutiny be examined as part of the review of the effectiveness of scrutiny to be carried out in 2005/6.

#### ♦ ***Council Restructuring in response to the Children Act :***

Council subsequently endorsed the proposals for restructure, including the recommended changes as follows:-

- Leisure and Sports Development was moved to Environment and Regeneration;
- Discussions got underway with PCT with regard to positioning of the DAT in the new structure
- Arts and Tourism was moved to Environment and Regeneration;

It was not considered possible to place Adult Education and Libraries with Children Education and Libraries as this would cause an imbalance in overall structure. There will however be continuing links through South London Partnership and the 14-19 Group in the same way as there will be continuity between children social care to adult social care. Adult Education and Libraries therefore remain with Community and Housing.

#### **Call-In**

The Overview and Scrutiny Commission considers requests for call-in of decisions already taken, where at least 3 members submit a request. It is anticipated that effective pre-decision scrutiny at an earlier stage will negate the need for many call-in requests being made. Nevertheless occasional requests are made.

For 2004/5 there was a total of five call-in requests made, of which three decisions were scrutinised by the Commission.

As a result of the scrutiny process, the decisions made by Cabinet on one issue (disposal of council land) were fully supported, on another (disposal of land), scrutiny recommendations were made for Cabinet to take account of further planned consultation, review the open market valuation and consider options for alternative uses for funds released. For the third issue (Conservation Area Design Panel) scrutiny recommended one option for the panel's profile, which included allowing developers to make representations to the Panel. This now happens. See Appendix 1 for details of all call-in requests during 2004/5.

#### **Scrutiny Reviews**

The following Scrutiny Reviews have been undertaken during 2004/5:-



*(Review recommendations are contained in Appendix 2).*

#### ◆ **Transitions**

In response to concerns about transition into adulthood for people requiring social care, this review looked at the process whereby young people move from Children's Services to Adult Social Care Services and the potential problems which can be experienced. The review task group members were drawn from the Life Chances and the Health and Community Care Services Scrutiny Panels. Members met with a wide range of people, including clients, parents, education providers' careers advisers and social care practitioners.

The review report contains 16 key recommendations which largely focus on improving communication between various partners and agencies, aimed at creating a smoother transitions process and improving outcomes for young people who have a learning disability or physical/sensory impairment.

#### ◆ **Voluntary Sector Funding**

A review of Merton's voluntary sector funding procedures was conducted during 2004, so that key outcomes can be fed into the forthcoming voluntary sector grants allocation process. The review task group drew members from the Regeneration and Public Realm Scrutiny Panel. Members agreed to interview local voluntary sector umbrella groups and also other local funding partners.

The review included a focus on progress with implementing the Merton Compact, which is a partnership agreement between Merton Council, the local Primary Care Trust, the voluntary and community sector and the Police. Other organisations are likely to sign up to the Compact in the near future.

There were 9 key recommendations made by the task group, which focus largely on improving clarity and transparency in the grant funding process.

#### ◆ **Procurement**

This review was chosen because of the audit commission review of Merton's corporate management of procurement, the need for a local procurement strategy to respond to the National Procurement Strategy and concern about the use of consultants and agency staff.

The review concluded that an effective procurement strategy is essential for providing best value and continuous improvement in services for residents, both through improving efficiency and delivering significant savings for re-investment in services.

Councils could not be judged excellent if not performing efficiently in procurement. The Panel concluded that the proposed procurement strategy met the National Procurement Strategy in content but to meet their concerns a total of 13 recommendations under the following key headings:

- Proposed procurement strategy – should catch up and meet all dates for key milestones
- Organisational structure – may not be strong enough to drive through the gains to be achieved so requires demonstrable evidence of progress
- Supporting Local Business and Small and Medium Enterprises – a key objective which should be met and recommended good practice to follow
- Member roles – differentiated between Executive and Scrutiny
- Monitoring and Evaluation – recommended Performance Indicators, external evaluation of progress and regular monitoring of implementation and impact

◆ **Local Implementation Plan (LIP) for Transport for London Strategy**

It was agreed that the Street Management Scrutiny Panel's major piece of work should be to oversee the preparation of the draft LIP which has to be submitted to Transport for London by 22 July 2005 prior to consultation.

The Scrutiny Panel met regularly with the lead transport planning officers to scrutinise the Council's response to each of the seven themes for the draft LIP, acting as the main steer in the writing of the LIP from initial conception through to final scheme details. The Panel also considered the content of the questionnaire which will be sent out to households during the Summer of 2005 seeking views.

All review reports were formally approved by Cabinet and action plans drawn up to take forward the recommendations made. The recommendations from each review undertaken during 2004/5 have been fed into action plans to be implemented by the lead departments in liaison with the appropriate Cabinet Members. The relevant scrutiny panel will monitor progress on implementing agreed recommendations as part of its annual scrutiny work programme.

For further information about any review, contact Barbara Jarvis, Scrutiny Officer, 020 8545 3390; [barbara.jarvis@merton.gov.uk](mailto:barbara.jarvis@merton.gov.uk)

## **PART FOUR – COMMUNITY ENGAGEMENT IN SCRUTINY**

Community engagement has taken place during 2004/5 in a variety of ways:-

- Engaging through reviews:- the review of Transitions engaged with parents, young people, education providers, social workers, careers advisers and learning disability groups.
- Engaging at scrutiny meetings:- pre-decision scrutiny of issues such as the Charging Policy for Children's Services and SEN has enabled local parents to express their views and voice concerns about impact on their children of proposed changes to service provision.
- Using other bodies:- scrutiny has in the past engaged with local residents through area forums, consultative groups and through consultation mechanisms such as the Merton Voluntary Service Council newsletter.
- Developing a community engagement strategy at Merton:- work is ongoing to develop a comprehensive strategy to engage with people at local level and

enable local views to be expressed and fed into strategic policy development. Clearly the scrutiny process at Merton has a full part to play in this process.

- Public engagement target: Merton has a Business Plan scrutiny target of engaging with 200 local residents each year through the scrutiny process. For the past two years this target has been achieved and indeed exceeded. However, the majority of people who have engaged in scrutiny in 2004/5 have been those attending either the Street Management Scrutiny Panel or the Overview and Scrutiny Commission to listen and/or make representations concerning local street management issues and in particular controlled parking zones. For 2005/6 there will no longer be a Street Management Scrutiny Panel and therefore it will be a challenge to attract residents to engage in the scrutiny process. Nevertheless, it is hoped that the range of scrutiny reviews to be undertaken in the forthcoming year will attract local public interest and lead to positive engagement from different sectors of the community.

## **PART FIVE – LOOKING FORWARD**

### **Strengths**

Each year this report has sought to highlight the areas of strength in scrutiny, many of which have been recognised externally:

- Positive working across the political groups in delivering scrutiny
- Experimentation in community engagement
- Ability to engage with the detail
- Development of health scrutiny
- Engagement with external partners
- Demonstrating community leadership by challenging health decisions

Over the last twelve months we have made progress in a number of key areas:

- **The ability to work with neighbouring scrutiny Members and officers on scrutinising significant variations in health.** A major commitment this year has been the joint work with Sutton and mid Surrey within the joint statutory health committee to scrutinise the major reconfiguration of health services across the region. It was a major challenge due to the different perspectives of each borough to put that aside and work collaboratively to understand the changes and their impact upon residents, and, provide comments to the health authority on their Better Healthcare closer to Home. Significant knowledge of health has been gained. The lessons learnt will be considered at the Commission shortly.
- **The confidence to act on behalf of our residents and make representations to the Secretary of State for health to review the health decision not to locate a new critical care hospital at St Helier.** The outcome of the Commission's representations are not yet known. Making these representations was an action unpopular with our partners on the joint health committee. But that committee had already decided not to make a judgement about the location for the hospital and we had genuine

concerns that the proposed hospital location was not supported by the evidence and was detrimental to residents.

- **The ability to continue to experiment with a range of scrutiny techniques**, for example the joint scrutiny of transitions by the Life Chances and the Health & Community Care panel, a single issue meeting with the public to respond to the mental health white paper and the use of expert advice by the Way We Work Panel who learned from the IDeA procurement expert.
- **Cabinet Members have attended Commission and Panel meetings more regularly this year to be accountable for decisions and performance, Scrutiny Chairs have attended more Cabinet meetings to present their findings but not systematically, but there is still room for greater contact between Scrutiny Chairs and their Cabinet colleagues and Directors.**
- **The capacity to plan our work programme** – for 2005/6 we have been more pro-active and planned ahead, timetabling important issues throughout the year to facilitate the capacity to do the subjects justice both at the Overview & Scrutiny Commission and at the Panels. We have reflected the bigger picture and not just detailed issues - however, we are reliant upon the Executive meeting their forecast timetable to enable us to have discussions as programmed.
- **Strengthening our performance management role** – by forming a task group of the Chair and Vice-Chair to scrutinise the quarterly performance monitoring reports in detail and advise the Commission where further in depth scrutiny may be required. A useful scrutiny of education was one consequence of this. We have also decided to focus upon the youth service, libraries and adult education being under performing areas which have been inspected during 2004/5. The Audit Commission has commented positively about the value of this development.
- **Improving the balance of workload between the Panels** – our decision to reduce the remit of the Life Chances Panel by transferring some responsibilities to the Way We Work Panel, Health and Community Care and to the Regeneration & Public Realm Overview and Scrutiny Panels was justified and whilst some argued there should have been another Panel established, keeping the number at four has forced some prioritisation of work. The Street Management Overview and Scrutiny Panel continued to work more as a briefing for the Cabinet Member than a true Scrutiny Panel and for 2005/6 it has ceased to be a scrutiny function.

### **Areas for Development**

- **Public involvement** – whilst we more than reached our target of more than 200 residents engaging with scrutiny this has again predominantly been a reflection of residents coming to object to street management proposals. This is a pattern in many authorities but we will review this especially during this year when our policy reviews may well be attractive

to more residents and we shall aim to employ some different approaches. – for example, the draft scope for improving youth engagement has been handed over to our young person co-optee to take and discuss with his colleagues.

- **Capacity to scrutinise effectively** – although we resolved to prioritise agenda items in 2004/5 to do less but in more in depth scrutiny of the important issues, we have failed to achieve this and we do need to plan and focus our time more effectively. It may be useful to review before the end of the year the number and remits of our Panels, currently five plus the Commission. The outcomes of the scrutiny learning and development programmes in 2004 were fed into the team developing a Member development programme – the programme has progressed slower than anticipated but will be running for the next Municipal Year.
- **Further strengthening of our performance management role** – whilst our new task group has been commended and will continue we are further differentiating the performance management roles of Scrutiny and Executive. We have decided that in 2005/6 we will additionally scrutinise Cabinet portfolio priorities in the service plans and monitor their progress during the year, regularly review performance against our PSA targets, and review the Executive's progress in implementing the Action Plans from major inspections.
- **“Scrutiny is growing within the authority” concluded the IDeA peer review in March 2005** but suggested that there needs to be much wider engagement of elected members in council activities including an enhanced role for scrutiny. They also believed that the council is likely to benefit from the Opposition being provided with greater opportunities to contribute to the council's business, “noting for example, the exclusion of Conservative councillors from chairing scrutiny panels...and a sense that the Opposition have limited opportunities to influence the items considered by scrutiny and for call-in”. Scrutiny must debate and decide their response to these comments.

## **Conclusions**

This has been a year of mixed successes. We lost a whole cycle of meetings due to the election. The resource demands to undertake the health scrutiny work, for which we have no dedicated resource, put pressure upon Members and our small scrutiny team – this work has taken almost half the time of one of our two scrutiny officers, and will not reduce in 2005/6 when at least one more joint health committee will be needed. We did not keep to our timetables for completing scrutiny reviews which inevitably reduces the capacity to either complete by the end of a financial year or indeed start a second review. The IDeA peer review acknowledges that scrutiny is growing within the authority but has highlighted areas for improvement. We have concluded that it is time to take a fundamental look at our scrutiny function, assess how effective it has been to date, what works well and what could we do better and smarter, drawing upon best practice elsewhere to inform change and put in place a strengthened scrutiny function for the new Council, post 2006 elections. That will be supported by the Member development strategy which is also being developed during 2005/6.