

LGSS Joint Overview & Scrutiny Working Group Report

To: LGSS Joint Committee

From: LGSS Joint Overview & Scrutiny Working Group

Purpose: To present to the LGSS Joint Committee recommendations resulting from recent work by the LGSS Joint Overview & Scrutiny Working Group.

Recommendations: That the LGSS Joint Committee:

1. Includes the following matters when considering the further development of the LGSS Customer Satisfaction Framework:
 - (a) The use of relevant committees as a means of obtaining feedback from councillors' perspective; and
 - (b) The potential to improve communication to all councillors at the partner authorities about the operation of LGSS.
2. Gives full support to the review of the operation of LGSS with regard to its accounts; and
3. Gives particular attention to the level of information expected by councillors to enable them to hold to account LGSS effectively.

1. Background

1.1 The LGSS Joint Overview & Scrutiny Working Group (referred to as the JWG in the remainder of this report) was set up in 2016 by the Overview & Scrutiny functions of Milton Keynes and Northamptonshire County Councils to implement a joint approach to scrutiny of LGSS matters. Cambridgeshire County Council has also appointed representatives to the JWG, although CCC does not operate a Cabinet / Overview & Scrutiny system of governance. The Terms of Reference for the JWG are included with this report (at Appendix 1).

1.2 The JWG last met on 3rd April 2017 to consider the following items of business:

- Overview of the LGSS Strategic Plan 2017-18 to 2021-22
- 2016 Customer Satisfaction Framework results
- Update on the position concerning the LGSS Statement of Accounts

1.3 The LGSS Managing Director, Director of Finance and Head of Customer Engagement & Business Development attended the JWG meeting to present on these items.

- 1.4 The JWG considered the vision, mission, strategy, goals and objectives set out in the Strategic Plan and supporting financial plans. It noted the current position. Discussion of the other two items of business resulted in the JWG identifying specific recommendations to the LGSS Joint Committee, which are set out below.

2. LGSS Customer Satisfaction Framework

- 2.1 The JWG considered a presentation on the results of the 2016 CSAT survey and further planned development of the CSAT Framework, as given to the LGSS Joint Committee on 23rd March 2017. In the course of discussion members sought reassurance that all customer comments, complaints and compliments were consistently recorded, and questioned how the percentage of customers that LGSS sought feedback from compared with the level sought by major commercial companies. The JWG also discussed opportunities to improve the LGSS on-line end-user survey. The JWG endorsed the overall progress being made in relation to customer satisfaction and the development of the CSAT Framework.
- 2.2 Members did highlight that not all service-users may be able to use an on-line survey to give feedback and questioned whether alternatives were offered. They noted that councillors at partner authorities had been given the opportunity to complete hard-copy forms in 2017 although the response had been limited. Members suggested that a more productive approach might be to seek feedback through relevant committees, rather than by approaching councillors individually. It was also emphasised that, in either case, councillors needed to be informed about the aims, organisation and operation of LGSS to give effective feedback about its performance.
- 2.3 The JWG was advised that the LGSS Joint Committee was due to give further consideration to the development of the CSAT Framework at a future meeting. The JWG therefore resolved to recommend:

That the LGSS Joint Committee includes the following matters when considering the further development of the LGSS Customer Satisfaction Framework:

- (a) The use of relevant committees as a means of obtaining feedback from councillors' perspective; and**
- (b) The potential to improve communication to all councillors at the partner authorities about the operation of LGSS.**

3. LGSS Statement of Accounts

- 3.1 The JWG was addressed by the author of the objection to the 2014-15 LGSS Statement of Accounts, who spoke about his original and continuing concerns about the transparency of LGSS accounting arrangements and dissatisfaction with the way that LGSS and its external auditors had dealt with the objection and other requests for

information from him. The JWG subsequently heard from the external auditor's director, who advised that a final decision letter on the objection had been issued in February 2017 and that from the auditor's perspective they had responded to all matters raised in the objection. The external auditor had since issued unqualified opinions on the 2014-15 and 2015-16 LGSS accounts and these had been signed-off.

- 3.2 The JWG discussed the effectiveness of LGSS accounting arrangements, in light of the different perspectives on this matter that had been brought to its attention. It was felt that the point of contention in this case was how financial information should be presented by LGSS: the JWG had not seen anything that indicated that money was missing or hidden. However, some members emphasised that LGSS needed to operate as transparently as possible and councillors should be able to see clearly how public money was being used between LGSS and the partner authorities. It was highlighted in this context that the external audit (ISA 260) report for 2015-16 included a high priority recommendation for improvements to the LGSS accounting structure. It was suggested that it would have been beneficial for such matters to have been addressed sooner.
- 3.3 The JWG was reminded of the way in which LGSS was constituted and the implications of this for the way it operated. LGSS was not required to publish accounts but the Joint Committee had agreed it would continue to do so. LGSS' operation and its accounts were subject to the same degree of oversight as any of the partner authorities' other directorates. However, LGSS recognised that its accounts and accounting practices were complex and had become more so as the organisation had continued to develop. Its existing arrangements would be reviewed to recognise areas for improvement such as those identified in the external audit report.
- 3.4 The JWG endorsed a review as a means of addressing points raised at the current meeting. Members suggested that one of the issues considered during the review should be identifying and meeting councillors' expectations about the information on LGSS available to them. The JWG agreed that it should seek to scrutinise the progress made with the review during 2017-18.

The JWG ultimately resolved to recommend:

That the LGSS Joint Committee gives full support to the review of the operation of LGSS with regard to its accounts.

That the LGSS Joint Committee gives particular attention to the level of information expected by councillors to enable them to hold to account LGSS effectively.

List of Appendices

Appendix 1 LGSS Joint Overview & Scrutiny Working Group Terms of Reference

LGSS Joint Overview & Scrutiny Working Group – Terms of Reference 2016/17

Role

The role of the Joint Working Group (JWG) will be as follows:

- Accountability – Holding the LGSS Joint Committee to account for the discharge of its functions.
- Improvement – Investigating issues associated with LGSS and making recommendations that seek to improve the quality of services delivered through LGSS.

Membership

The membership of the JWG will consist of 3 councillors from each participating authority (: Milton Keynes Council, Northamptonshire County Council, and Cambridgeshire County Council). Substitute members from each authority may be appointed to attend in their absence.

Chair

The chair of the JWG will be held jointly by a member from each participating authority. These 3 members will be elected annually by the JWG. Meetings of the JWG will normally be chaired by the co-chair from the participating authority that is hosting the meeting in question.

Parent Committees

The committees at the participating authorities with responsibility for scrutinising or overseeing corporate support functions will act as the parent committees for the JWG. Currently these are:

Milton Keynes Council: Scrutiny Management Committee

Northamptonshire CC: Finance & Resources Scrutiny Committee

Cambridgeshire CC: General Purposes Committee

The parent committee role will include the following functions:

- Agreeing the establishment of the JWG and nominating members from the respective authority to serve on the JWG.
- Overseeing the work programme of the JWG and incorporating the requirements of delivering this within its respective work programme.
- Receiving draft reports and recommendations from the JWG for agreement prior to submission to relevant decision-making bodies.
- Maintaining an overview of the operation of the JWG and proposing changes to the JWG's terms of reference as necessary.

The parent committees should carry out this role on the basis of co-operation and communication and generally seek to avoid acting in what could reasonably be seen as a unilateral way.

The parent (or other appropriate) committees will retain the role of considering LGSS decisions that are called-in at their respective authority, and will have the option, in exceptional circumstances, to consider any other item of business relating to LGSS that they would prefer to consider as an individual committee rather than through the JWG.

Method of Operation

The JWG should adopt a task-and-finish, outcome-focussed approach to carrying out its role.

The JWG should draw up a rolling work programme setting out proposed work to be carried out during the following year to deliver its role. This work programme will be overseen and monitored by the parent committees as set out above.

JWG members will be required to keep the parent committee of their respective participating authority informed of the JWG's work as requested.

Quorum

The quorum for JWG meetings will be 3 members, made up of one member from each of the participating authorities.

JWG Meetings

The JWG will normally meet every 4 months, on appropriate dates and times selected to support the delivery of the work programme agreed by the JWG. Additional JWG meetings may be convened if agreed by all of the JWG co-chairs.

The venue for JWG meetings will be determined by the JWG and will take account of business to be conducted. However, as a general principle, JWG meetings will normally rotate in sequence between the participating authorities.

The JWG will normally meet in public, with the provision to exclude the public for items of business where it would be likely that exempt information (information regarded as private for the purposes of the Local Government Act 1972) would be disclosed to them.

Officer Support

Parent committees will work together to ensure that equitable officer support arrangements are in place to support the JWG in the delivery of its work programme.

Exit Arrangements

The JWG will continue to operate for as long as the parent committees consider that there is value in the arrangement. The parent committees may withdraw their participation from the JWG at any time should they resolve to do so.