

# Annual Review 2014–15



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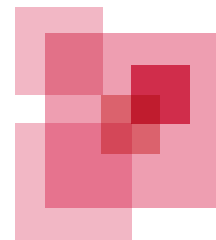
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## About CfPS

The Centre for Public Scrutiny is a charity devoted to good governance and good decision-making.

Our work is about exploring how good governance can be better understood, promoted and brought about in practice. We work with politicians, with academics and other thinkers at national level, with local politicians and those who support their work, and to those who provide services on the ground to work out how decisions can be made in a way that is more accountable, more transparent and which meaningfully involves a wide range of people – in particular, the public.



## Acting Chair's foreword

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2014/15 was a period of continued transformation for organisations supporting their local communities and residents. The needs of citizens continue to change along with the technology used to access support; demand for social care and healthcare services grows; and financial reductions lead to new ways of working. In this context, decision-makers are under pressure and there has never been more of a need for accountable and transparent governance – the culture which determines the way organisations are run and decisions are made. Sadly, this year will be remembered for the reports of child sexual exploitation in towns across England, reminding us that as organisations grapple with strategic reform there is still a vitally important scrutiny role in ensuring public services are working together effectively to protect and meet the needs of our most vulnerable citizens.

I am proud of the way the Centre has adapted to providing relevant and vital support to a range of sectors. Our support work, alongside our guidance such as the lessons to be learnt from Rotherham and Mid-Staffordshire and our contribution to social value policy in the European Commission, demonstrates that we are a vitally important part of the governance policy and delivery network. The Centre itself has undergone changes as Rt Hon Nick Raynsford MP stood down as our Chair and Executive Director Jessica Crowe left in February 2015. I am delighted that Lord Bob Kerslake has since taken on the role of Chair and Jacqui McKinlay has been appointed Executive Director. Both bring with them a wealth of skills, experience and knowledge that will help us build on our existing strengths.

Ahead of the general election, we anticipated any new government bringing forward legislation to move decision-making closer to the people who know their communities best and allow for local solutions to local problems. We will press for any legislation to incorporate clear scrutiny and accountability arrangements for all public services and organisations. Scrutiny and accountability in all their forms are vital to good decision making, especially given the ongoing financial pressures. We need every leader, decision-maker and member of the public to believe that clear accountability and governance means better decisions that lead to better outcomes.

We recognise that existing scrutiny processes must also transform if they are to become vital and valued. The Centre is in a strong position to lead and influence to ensure we have transparent and accountable public services.

**Jim Clifford OBE, Acting Chair**

# Why citizens need the Centre for Public Scrutiny

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The Centre exists to make sure that decisions affecting the public are made in the public interest and that the public can scrutinise decision-makers and hold them to account. Public scrutiny is a vital check and balance in our system of government and we believe everyone has a responsibility to make sure that arrangements related to decision-making, scrutiny and accountability work well. We recognise that different sectors use different language to describe the activities of governance, scrutiny and accountability – we aim to demystify this complex landscape by focusing on some key principles.

The right values and behaviours are vital to good decision-making and good scrutiny and accountability. We think the best arrangements for good decision-making, scrutiny and accountability should reflect the following characteristics:

- **transparency** - so that everyone is clear about who makes decisions and why decisions are made
- **involvement** - so that everyone has the chance to have their say and that decisions are made with the best insight
- **accountability** - so that everyone is clear about outcomes from decisions and can influence the actions of decision-makers

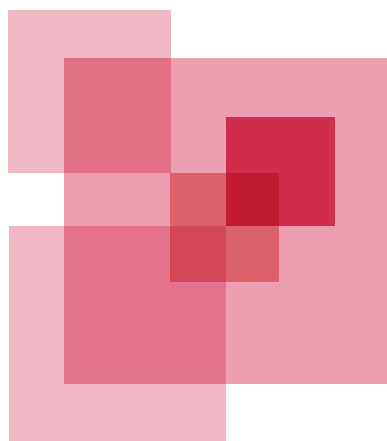
Public services support millions of people every day, but sometimes things go wrong. For example, patients and other vulnerable people can be less safe, taxpayers' money can be wasted or the public's views can be unheard or ignored. We exist to stop these kinds of things happening, by working with those responsible for decision-making, scrutiny and accountability to help them improve what they do for the benefit of the public. We do this nationally by working with Parliament, government departments, regulators, professional bodies and the voluntary/community sector; locally we work with councils, clinical commissioning groups, schools and social housing providers; we share our work internationally when the opportunity arises.

In 2014, reports about child sexual exploitation in towns across England provided shocking examples of things going wrong. These events reminded us of similar reports in 2013 about service failures in healthcare and social care. In these cases, the interests and voices of vulnerable groups were ignored and performance management systems did not focus on providing effective and safe services. Additionally, jumbled accountability arrangements allowed people to assume that "someone else" was doing the important job of scrutiny. Concerns of staff and the public can be ignored when this kind of culture develops. It can also lead to the emergence of 'groupthink', reinforcing poor values and behaviours, which is likely to resist scrutiny of "the sea of green" performance indicators that give the misleading impression that everything is fine.

Our report 'What Rotherham and Mid-Staffordshire Tell Us About Scrutiny and Where It's Lacking'<sup>1</sup> suggested some questions that councillors should ask to ensure these kinds of events do not develop in their area:

- how do I know that my council, and those with which it works, will notice if significant problems exist in the community and that if they notice they will take action?

1. [http://www.cfps.org.uk/domains/cfps.org.uk/local/media/downloads/06\\_09\\_17\\_Rotherham\\_report\\_1.pdf](http://www.cfps.org.uk/domains/cfps.org.uk/local/media/downloads/06_09_17_Rotherham_report_1.pdf)



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2. [http://www.cfps.org.uk/domains/cfps.org.uk/local/media/downloads/150127\\_scrutiny\\_effectiveness\\_\\_\\_hiding\\_in\\_plain\\_sight\\_FINAL.pdf](http://www.cfps.org.uk/domains/cfps.org.uk/local/media/downloads/150127_scrutiny_effectiveness___hiding_in_plain_sight_FINAL.pdf)

- can council scrutiny access information that allows confident challenge, on the basis of evidence, of assumptions about the quality of services?
- do political leaders, council officers and other agencies accept that council scrutiny has a role to play?

We also published 'Hiding in Plain Sight – Barriers to Effective Council Scrutiny'<sup>2</sup> based on results of a survey we carried out to help understand political and managerial cultural issues that might underpin ineffective scrutiny and challenge. The report set out some 'asks' of Parliament, councils and professional bodies:

- a review by the Communities and Local Government Select Committee of the operation and impact of council overview and scrutiny
- council leaders and senior officers accept the importance of independent, properly resourced and effective overview and scrutiny
- councils review their governance and scrutiny arrangements so that they use insight about the views and experiences of residents and service-users to provide assurance that risks are understood and managed well
- chairs of overview and scrutiny committees are chosen by secret ballot of non-executive councillors, based on an objective assessment of how well they are able to do the job
- professional bodies and inspectorates raise their profile with council scrutiny as a source of action or support
- advocacy and consumer groups help scrutiny to verify evidence against other sources when monitoring performance
- councils review their investment in overview and scrutiny so that important issues and risks aren't missed

## Successfully promoting the value of accountability

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### London Patient Voice

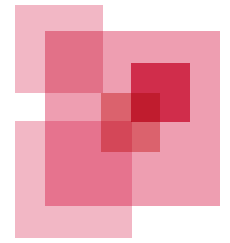
In 2014, the Centre led the development of a new public scrutiny panel – London Patient Voice (LPV). LPV was established as an independent body to hold the NHS England London Regional Team to account about its statutory participation duties and how it ensures patient and public participation across the range of its commissioning activities. The Centre successfully recruited independent Londoners to LPV and is supporting them in their first year's activities report, due to report in June 2015.

## Facilitating shared learning and innovation

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We embarked on a 12 month project to support nine councils undertaking major service change. We looked at the governance challenges and opportunities which arise when councils embark on transformation plans or seek to deliver services through large-scale commissioning arrangements. Although our findings are still developing we have a sense of the key messages, which will be published in June 2015. The report will set out some possible practical approaches to governance and accountability of major change programmes, which will include integrating a wide range of voices – from councillors and the public – in to councils' transformation plans.

# Celebrating and promoting best practice in scrutiny and accountability



3. [http://cfps.org.uk/?location\\_id=364&item=389](http://cfps.org.uk/?location_id=364&item=389)

## Good Scrutiny Awards

Our charitable aims include promoting the value of good scrutiny and for the past 7 years we have presented awards for the very best examples of effective scrutiny to help us achieve this. In 2014, an exceptional winner of our Overall Impact Award emerged - Cheshire West and Chester Council. Their submission 'Somewhere Over the Rainbow: Improving the Council's Adoption Process'<sup>3</sup> showed scrutiny making a real difference to people's lives and a difference to how a council service is run. This review was conducted in response to local concerns about bottlenecks in the parental approval and child placement processes and within a broader political context of seeking to improve adoption policy and practice nationally.

## Integration of health and social care services

'Integration' is arguably the greatest policy priority facing those who plan and deliver health and social care services. The Centre supports an ambition for council scrutiny to add value to local planning and implementation of integrated health and social care services and in 2014/15 was funded by the Local Government Association to support three scrutiny 'inquiry days' working with Devon County Council, South Tyneside Council and Wiltshire Council. The overarching messages from the inquiry days were that:

- scrutiny of integration plans is fundamental to councils' health and social care scrutiny role. Councils should review their arrangements for scrutiny of integration to make sure they are fit for purpose.
- scrutiny can add value to integration planning and implementation by improving the evidence base for decisions about integration and holding councils, commissioners and providers to account for the level of local ambition to integrate services and improve health in ways that benefit people who use services and taxpayers.
- scrutiny is best when it is proactive rather than passive or reactive. There is a responsibility on scrutiny, health and wellbeing boards, council executives, and clinical commissioning groups (CCGs) to get the best out of the scrutiny function for the benefit of local people.

Some common themes emerged from the inquiry days about the factors that influence effective scrutiny of integration plans, based on shared understanding and commitments between scrutiny, council executives, CCGs and providers:

- a shared understanding about the importance of integration as the primary means of delivering long-term financial sustainability of health and social care services and in securing better services and better outcomes for people
- a shared commitment to scrutiny that is:
  - proactive so that it is included throughout the process of planning, delivering and evaluating integrated services
  - focused on practical as well as financial impacts of integrated services so that people's experiences of services are not forgotten
  - constructive and focused on outcomes so that it receives constructive responses to recommendations
  - accessible as possible so that it hears the diversity of people's experiences of services
  - assessing the extent to which all topics under scrutiny promote and maximise the potential for integration



# How we help organisations improve: training, support and governance reviews

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## Peer review

The Local Government Association offers a “corporate peer challenge” to its members, providing the opportunity to look in depth at how services are delivered and make recommendations for improvement. The Centre has been providing assistance to councils as part of this programme, principally where a peer challenge results in concerns about the strength of corporate governance. We worked with 10 councils and were still providing help to 3 councils at the end of the year. Support ranged from supporting discussions on governance change to more detailed support working with Monitoring Officers and others on major reviews of council constitutions and changes to decision-making arrangements.

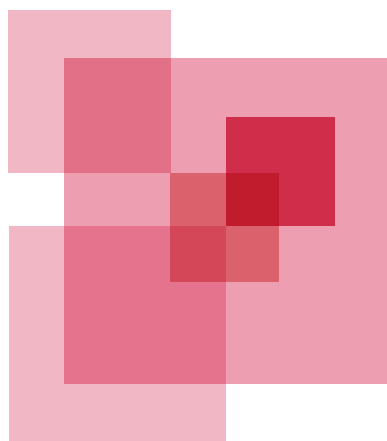
## Improving school governance

2014 saw the development of our work in education. This is a new area of work and our unique approach to ‘whole school accountability’ led to councils and schools commissioning our services. The support that we provide not only helps governors to govern schools more effectively, it also focuses on team work and how everyone within the school has a role in improving outcomes for children and, more importantly, how they can achieve more by creating better working relationships.

# Sharing research and influencing policy

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We carried out significant work developing possible approaches to the establishment of local Public Accounts Committees, which were adopted by the Labour Party as a manifesto commitment for the 2015 election. Notwithstanding the election result, the Conservative’s commitment to progressing with combined authorities gives us reason to believe there will be a “governance gap” in those arrangements. Whether that will be addressed through the mechanism of local PACs as we have set them out remains to be seen, but we will be seeking to swiftly develop our ideas in this area.





## Supporting scrutiny – how do we know we're having an impact?

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We analysed the impact of our local government work in our annual survey of local government overview and scrutiny. Results show that the Centre continues to have a positive impact on council scrutiny and is a valued information and training resource. Over 71% of respondents say that our work has had a positive effect. This is a particularly positive figure considering 80% of all councils in England and Wales participated in the survey this year.

When we look specifically at the impact of our publications, evidence suggests both our practice guides and topical reports, such as that on Rotherham and Mid-Staffordshire, have had an impact. Although almost 40% of respondents reported an impact from these publications, other areas had lower impact with just over 12% of respondents reporting that consultancy had an impact on their work. However, it is important to take into account the economic climate when considering these figures. For instance, many respondents commented they were limited in the services they were able to access due to financial constraints rather than lack of interest.

Overall, the majority of respondents felt positive about the future of scrutiny in their council and over 66% believed it made a positive difference in the lives of local people. Initial analysis suggests respondents felt the Centre should continue to play a crucial role in developing better scrutiny practices, publishing key reports and providing support and training. Many encouraged us to continue our work and requested we expand efforts in areas such as organising regional training and networking sessions and increasing our communication to better highlight training and resources we offer. In addition, preliminary findings continue to support previous reports indicating there is a significant appetite for the work of the Centre and a market that we have not yet fully tapped into. It also indicates the Centre enjoys strong support from those who are familiar with our work, due largely to the high quality of work produced, but that there is still room to grow. We surveyed Chief Executives, Leaders and Chairs of Scrutiny of councils who have used our services to gauge their satisfaction with the help we offered. The responses were extremely positive.

We provided bespoke training, governance reviews and leadership development programmes to a large number of organisations to help them improve their governance and scrutiny practice and their capacity and skills to hold decision-makers to account. In 2014, 110 delegates attended our annual conference and Good Scrutiny Awards and 47 delegates attended Scrutinycamp, our free unconference run on the day after our annual conference.

## Our plans for the future

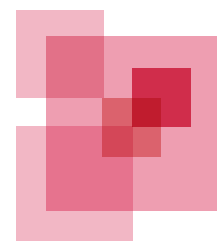
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At the end of 2014/15, Rt Hon Nick Raynsford MP stood down as our Chair and Executive Director Jessica Crowe left the Centre in February 2015. A new Chair will be appointed in time for our 2015 annual conference and Jacqui McKinlay has been appointed Executive Director starting in May 2015. A priority for the Centre will be to review its strategic purpose and business model in light of:

- how the public sector is organised and works has changed significantly since the Centre was set up in 2003 and this is set to continue for the foreseeable future.
- the more recent shift towards further devolution, integration of public services and increased personal responsibility/resident involvement are some of the specific changes relevant to the Centre.
- the Centre has developed in recent years to have a broader focus on governance and accountability and moved into different sectors. The appointment of a new Chair, Executive Director and general election outcome together create a timely opportunity to review the organisation's core purpose.
- a review will inform whether our core purpose needs updating and if we need to evolve the operating model to operate more effectively in a new context.



# CfPS income and expenditure summary 2014–15



<b>1</b>	<b>Income for:</b>	<b>2014/15</b>	<b>%</b>
	Children & Young People Programme Total	39,395.00	5.9%
	Health & Social Care Programme Total	195,988.86	29.4%
	Involvement Programme Total	6,331.50	0.9%
	Local Accountability Programme Total	419,201.99	62.8%
	Thought Leadership Programme Total	3,780.04	0.6%
	Organisational Development Programme Total	2,954.89	0.4%
	<b>Total</b>	<b>667,652.28</b>	

<b>2</b>	<b>Expenditure</b>	<b>2014/15</b>	<b>%</b>
	Total Staff costs	499,894.29	67.7%
	Children & Young People Programme Total	15,340.13	2.1%
	Health & Social Care Programme Total	52,534.29	7.1%
	Involvement Programme Total	4,076.84	0.6%
	Local Accountability Programme Total	125,092.63	16.9%
	Thought Leadership Programme Total	21,468.40	2.9%
	Organisational Development Programme Total	20,305.14	2.7%
	<b>Total</b>	<b>738,711.72</b>	

<b>3</b>	<b>Staff Breakout</b>	<b>2014/15</b>	<b>%</b>
	Children & Young People Programme Total	28,445.83	5.7%
	Health & Social Care Programme Total	76,516.81	15.3%
	Local Accountability Programme Total	242,657.36	48.5%
	Thought Leadership Programme Total	20,131.73	4.1%
	Organisational Development Programme Total	132,142.56	26.4%
	<b>Total</b>	<b>499,894.29</b>	

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CiPS is a registered charity no 1136243

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 [www.cfps.org.uk](http://www.cfps.org.uk)