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Auditor General for Wales

# Overview and Scrutiny – Fit For the Future? – **Bridgend County Borough Council**

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The team who delivered the work comprised Samantha Clements, Ian Phillips and Sara-Jane Byrne under the direction of Huw Rees.

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# Summary report

## Summary

- 1 This review explored with each of the 22 councils in Wales how 'fit for the future' their scrutiny functions are. We considered how councils are responding to current challenges, including the Wellbeing of Future Generations (Wales) Act 2015 (WFG Act) in relation to their scrutiny activity, as well as how councils are beginning to undertake scrutiny of Public Service Boards (PSBs). We also examined how well placed councils are to respond to future challenges such as continued pressure on public finances and the possible move towards more regional working between local authorities.
- 2 As part of this review we also reviewed the progress that councils have made in addressing the recommendations of our earlier National Improvement Study **Good Scrutiny? Good Question!** (May 2014) (see [Appendix 2](#)). We also followed up on the proposals for improvement relevant to scrutiny that we issued in local reports including those issued to councils as part of our 2016-17 thematic reviews of Savings Planning and Governance Arrangements for Determining Significant Service Changes.
- 3 Our review aimed to:
  - identify approaches to embedding the sustainable development principle into scrutiny processes and practices to inform practice sharing and future work of the Auditor General in relation to the WFG Act;
  - provide assurance that scrutiny functions are well placed to respond to current and future challenges and expectations;
  - help to embed effective scrutiny by elected members from the start of the new electoral cycle; and
  - provide insight into how well councils have responded to the findings of our previous Scrutiny Improvement Study.
- 4 To inform our findings we based our review methodology around the Outcomes and Characteristics for Effective Local Government Overview and Scrutiny that were developed and agreed by scrutiny stakeholders in Wales following our previous National Improvement Study **Good Scrutiny? Good Question!**<sup>1</sup>
- 5 We carried out fieldwork between October 2017 and January 2018. We undertook document reviews, interviewed a number of key officers and ran focus groups with key councillors to understand their views on Bridgend County Borough Council's (the Council) current scrutiny arrangements and in particular how the Council is approaching and intends to respond to the challenges identified above.

<sup>1</sup> **Good Scrutiny? Good Question!** – Auditor General for Wales improvement study: scrutiny in Local Government, May 2014.

- 6 We observed a sample of scrutiny meetings and reviewed relevant meeting documentation provided to members to support their scrutiny role, such as reports and presentations.
- 7 In this review we concluded that **the Council’s overview and scrutiny function is well-run, but needs to adapt to meet future challenges and should consider opportunities to work differently**. We came to this conclusion because:
- a. the Council values the role of its scrutiny function, but should consider the type of support and training necessary to help scrutiny members respond effectively to current and future challenges;
  - b. overview and scrutiny committee meetings are well run, but there is scope to improve the planning of agenda items and to ensure that information is provided to scrutiny members in a timely manner; and
  - c. the Council should explore different ways of working to improve the impact of scrutiny and make more effective use of its resources.

## Proposals for improvement

- 8 The table below contains our proposals for ways in which the Council could improve the efficiency and effectiveness of its overview and scrutiny function to make it better placed to meet current and future challenges.

### Exhibit 1: proposals for improvement

Proposals for improvement	
P1	The Council should explore more innovative methods for undertaking scrutiny activity to make the most effective use of the resources available and improve the impact of scrutiny activity.
P2	The Council should improve the timeliness with which scrutiny committees are provided with information they request to enable them to undertake their work more effectively.
P3	The Council should consider the skills and training that scrutiny members may need to better prepare them for current and future challenges, and develop and deliver an appropriate training and development programme.
P4	The Council should consider how it can involve the public and other stakeholders in its scrutiny activity.
P5	The Council should review the type of scrutiny support required to enable the scrutiny function to respond to current and future challenges.

## The Council values the role of its scrutiny function, but should consider the type of support and training necessary to help scrutiny members respond effectively to current and future challenges

- 9 As part of our review, we looked at the environment in which scrutiny operates, including clarity of roles, provision of training, support for scrutiny members and the relationship between scrutiny and the executive. Our **Good Governance When Determining Significant Service Changes**<sup>2</sup> report, published in May 2017, found that the Council's Cabinet values the role of scrutiny. This remains the case. The different roles of Scrutiny and Cabinet members are clear. Cabinet members attend overview and scrutiny committee meetings when they are invited and answer questions, enabling scrutiny members to hold Cabinet members to account. Scrutiny members are clear on whether questions need to be directed to officers or Cabinet members, and are therefore clear as to whom they are holding to account. However, not all Cabinet members feel effectively challenged by the questions asked by scrutiny committee members, so there is scope for scrutiny members to ask more probing and rigorous questions.
- 10 We also considered the support available to scrutiny members. Overview and scrutiny committee members highly regard the support they receive from the Council's scrutiny officers. However, the level of scrutiny support has reduced over time in line with reductions in the service's budget. Members told us that the capacity of scrutiny support officers is stretched, which limits their opportunities to undertake research. With increasing pressure on resources, and in light of current and future challenges, there is an opportunity for the Council to consider the type of support needed for its scrutiny activity in order to make the most effective use of the resources it has available to support the scrutiny function.
- 11 Following the May 2017 local government elections, nearly half of the Council's members were newly elected. Ensuring these members are effectively equipped to respond to current and future challenges is, therefore, imperative. The Council provided scrutiny induction training for members following the May 2017 election. The training included sessions on the role of committees and scrutiny, scrutiny chairing and scrutiny questioning skills. This training was well received by scrutiny members, but it was not particularly well attended. For example, 14 members attended the training event on the Role of Committees and Scrutiny on 10 May 2017. A further seven members attended the further session arranged on 15 May 2017.

<sup>2</sup> **Good Governance when Determining Significant Service Changes** – Auditor General for Wales report, May 2017.

- 12 The Council's Cabinet members felt that the Well-being of Future Generations (Wales) Act 2015 (WFG Act) potentially gives scrutiny members a powerful role. However, we found that overview and scrutiny committee members do not feel ready to help to embed the principles of the WFG Act into the Council's decision making process. Some members would like more training on this matter.
- 13 There is also an opportunity for the Council to consider the different skills and knowledge its scrutiny members will need to respond more effectively to current and future challenges. In doing so, the Council should also consider the key roles it wants its scrutiny members to carry out. It is a matter for the Council to determine the content of training programmes. However, there is an opportunity for the Council to consider whether training in areas such as, scrutinising regional, collaborative and commercial arrangements, commercialisation, financial analysis, options appraisals, and engaging ward members and stakeholders in scrutiny work would enable members to be better placed to meet current and future challenges. This will be particularly important as the Council continues to face significant pressures.

## Overview and scrutiny committee meetings are well-run, but there is scope to improve the planning of agenda items and to ensure that information is provided to scrutiny members in a timely manner

- 14 As part of our review, we observed a sample of the Council's overview and scrutiny committee meetings. We found that they are generally well-run, focused and effectively chaired, with constructive questioning from scrutiny members.
- 15 However, we also observed the following issues that suggest the Council needs to strengthen the forward planning of its scrutiny activity so that it ensures items are considered in a timely way and that the influence and role of the scrutiny function are purposeful:
  - the subject overview and scrutiny committee 1 considered the Additional Learning Needs reform after the national period of consultation had ended. Therefore the scrutiny committee's views were unable to be taken into account in the external consultation process.
  - the Member and School Engagement Panel Annual Report 2014-15 was on the agenda of the Children and Young People Overview and Scrutiny Committee meeting on 20 April 2017, two years after the report had been written. It is questionable whether this was a good use of the Committee's time and, given the timescale, the purpose of the Committee considering this item at this time.

- 16 The Council's overview and scrutiny function has a mechanism to track requests for information made by scrutiny committees. It also has a protocol for Cabinet responses to scrutiny committees' recommendations. Despite this mechanism and protocol, during our review, members raised a concern that they do not always receive information they have requested during overview and scrutiny committee meetings. Our observations of a sample of the Council's overview and scrutiny committees, and review of scrutiny committee papers support this concern. The Council should ensure that scrutiny members' requests for information are responded to in a timely manner, assuming such requests are agreed by the committee and/or chair of the committee to be pertinent and necessary for scrutiny committee activity.
- 17 Our **Good Scrutiny? Good Question!** (see **Footnote 1**) Scrutiny Improvement Study report in May 2014 included the recommendation for councils to further develop scrutiny forward work programming to:
- provide a clear rationale for topic selection;
  - be more outcome focussed;
  - ensure that the method of scrutiny is best suited to the topic area and the outcome desired; and
  - align scrutiny programmes with the council's performance management, self-evaluation and improvement arrangements.
- 18 The development of scrutiny committee forward work programmes is a standing item on scrutiny committees' agendas, and committees have adequate opportunity to comment and shape their respective forward work programmes. As such, the respective committee work programmes are publicly available as they are published on the Council website as part of the agenda papers for each scrutiny committee meeting. The work programmes also contain details of the topics to be considered and a clear rationale as to why particular topics have been chosen for scrutiny.
- 19 However, scrutiny committee forward work programmes are not available as standalone documents on the Council website, despite there being a web page dedicated to the forward work programme of the Corporate Overview and Scrutiny Committee. This makes it more difficult for the public, and other stakeholders, to find out which topics are due for consideration and, for example, to identify topics on which they would like to offer views to inform committee deliberations.
- 20 In November 2017, the Council recognised that there was insufficient co-ordination between the Cabinet forward work programme and the scrutiny committee forward work programmes. The Council addressed this by organising quarterly development meetings between scrutiny chairs and Cabinet members with the aim of better aligning their respective work programmes.
- 21 The Overview and Scrutiny Annual Report 2015-16 identified that the scrutiny function needed to continue to develop the ability to communicate effectively with the public and to better facilitate engagement and participation in democratic



accountability. The 2016-17 Overview and Scrutiny Annual Report states that the Council would take a series of actions during 2017-18 to help to address this, such as surveying residents via social media on issues they would like scrutiny to discuss. However, some members expressed the view that the public and other stakeholders could be engaged more in scrutiny activity, and we found relatively few examples of wider stakeholder involvement in scrutiny activity.

- 22 As part of our review, we considered how councils are beginning to scrutinise Public Service Boards (PSBs). The Council has a PSB Scrutiny Panel that met in October 2017. It is too early in the development of PSB Scrutiny for us to comment on the effectiveness of these arrangements at the Council.

## The Council should explore different ways of working to improve the impact of scrutiny and make more effective use of its resources

- 23 In our National Improvement Study **Good Scrutiny? Good Question!** report in May 2014 (see **Footnote 1**), we recommended that councils ensure that the impact of scrutiny is properly evaluated and acted upon to improve the function's effectiveness; including following up on proposed actions and examining outcomes.
- 24 Following the May 2017 local government election, the Council reduced the number of scrutiny committees from five to four, partly to better reflect the cross-cutting portfolios of Cabinet Members. The Council evaluates the impact of its scrutiny function by producing annual scrutiny reports and maintaining a spreadsheet entitled 'Scrutiny Impact and Outcomes'. The Council's 2016-17 annual scrutiny report cites some examples where the scrutiny function has had an impact, such as the Budget Research and Evaluation Panel (BREP) made a series of recommendations to Cabinet, the majority of which were adopted by Cabinet. However, BREP is not actually a scrutiny committee and, overall, the annual report included limited evidence of impact. Similarly, the 'Scrutiny Impact and Outcomes' spreadsheet does not contain many examples of the impact of the scrutiny function.
- 25 Although we found that scrutiny committee members are generally well-engaged and ask pertinent questions, a few members informed us that in their view scrutiny lacked impact and was ineffective. During our review, we asked members and officers to provide examples where scrutiny has had a positive impact, but they were only able to provide limited examples.
- 26 Like many other councils in Wales, the majority of scrutiny activity takes place at formal committee meetings where officer reports are considered. The Council has four main overview and scrutiny committees (not including the PSB scrutiny panel) each of which meets seven to eight times per year. Resources are required to

support the scrutiny meetings themselves and also for officers and members to prepare for these meetings.

- 27 The 2017 Association for Public Service Excellence (APSE) report **Accountability and Scrutiny – The issues for local government in a changing political environment**<sup>3</sup> found that one of the main barriers to scrutiny adding value was a lack of creativity. Whilst the Council has changed its scrutiny arrangements, scrutiny activity continues to be undertaken largely through formal committee meetings. The Council should consider whether undertaking aspects of scrutiny activity outside of such formal committee meetings may help to increase the effectiveness of the scrutiny function. Scrutiny activity does not have to be confined to being done within a formal committee environment. There are a range of examples of organisations trying different approaches to scrutiny, from engaging third sector organisations to help plan and scope work, to scrutiny members getting out into communities to directly ask people for real time feedback on the topics they want put on the agenda. The Council should explore how other bodies, including those beyond Wales, have been carrying out scrutiny activity differently. This does not necessarily mean requiring additional support, but using member and officer skills and capacity differently. The Council intends to evaluate the effectiveness of its new scrutiny committee arrangements in April 2018.
- 28 The Council is facing significant financial pressures. Its Medium Term Financial Strategy 2018-19 to 2021-22<sup>4</sup> states that the Council has to find £32 million savings. In light of this financial challenge and given the limited evidence of impact of the Council's scrutiny arrangements, the Council should consider whether there are different, more creative and innovative ways of carrying out scrutiny activity in order to make the most effective use of the resources available, and to enable scrutiny activity to have a greater impact.

<sup>3</sup> Association for Public Service Excellence (APSE) report: **Accountability and Scrutiny – The issues for local government in a changing political environment**

<sup>4</sup> Bridgend Council Medium Term Financial Strategy 2018-19 to 2021-22 and Council Tax 2018-19

# Appendix 1

## Outcomes and characteristics for effective local government overview and scrutiny

Exhibit 2: outcomes and characteristics for effective local government overview and scrutiny

Outcomes	Characteristics
<p><b>What does good scrutiny seek to achieve?</b></p>	<p><b>What would it look like? How could we recognise it?</b></p>
<p><b>1. Democratic accountability drives improvement in public services. 'Better Services'</b></p>	<p><b>Environment</b></p> <ul style="list-style-type: none"> <li>i) Scrutiny has a clearly defined and valued role in the council's improvement arrangements.</li> <li>ii) Scrutiny has the dedicated officer support it needs from officers who are able to undertake independent research effectively, and provide Scrutiny members with high-quality analysis, advice and training.</li> </ul> <p><b>Practice</b></p> <ul style="list-style-type: none"> <li>iii) Overview and Scrutiny inquiries are non-political, methodologically sound and incorporate a wide range of evidence and perspectives.</li> </ul> <p><b>Impact</b></p> <ul style="list-style-type: none"> <li>iv) Overview and scrutiny regularly engages in evidence based challenge of decision makers and service providers.</li> <li>v) Scrutiny provides viable and well evidenced solutions to recognised problems.</li> </ul>

Outcomes	Characteristics
<p><b>What does good scrutiny seek to achieve?</b></p>	<p><b>What would it look like? How could we recognise it?</b></p>
<p><b>2. Democratic decision making is accountable, inclusive and robust. 'Better decisions'</b></p>	<p><b>Environment</b></p> <ul style="list-style-type: none"> <li>i) Scrutiny councillors have the training and development opportunities they need to undertake their role effectively.</li> <li>ii) The process receives effective support from the Council's Corporate Management Team which ensures that information provided to scrutiny is of high quality and is provided in a timely and consistent manner.</li> </ul> <p><b>Practice</b></p> <ul style="list-style-type: none"> <li>iii) Scrutiny is Member led and has 'ownership' of its work programme taking into account the views of the public, partners and regulators whilst balancing between prioritising community concerns against issues of strategic risk and importance.</li> <li>iv) Stakeholders have the ability to contribute to the development and delivery of scrutiny forward work programmes.</li> <li>v) Overview and scrutiny meetings and activities are well-planned, chaired effectively and make best use of the resources available to it.</li> </ul> <p><b>Impact</b></p> <ul style="list-style-type: none"> <li>vi) Non-executive Members provide an evidence based check and balance to Executive decision making.</li> <li>vii) Decision makers give public account for themselves at scrutiny committees for their portfolio responsibilities.</li> </ul>
<p><b>3. The public is engaged in democratic debate about the current and future delivery of public services.</b></p>	<p><b>Environment</b></p> <ul style="list-style-type: none"> <li>i) Scrutiny is recognised by the Executive and Corporate Management team as an important council mechanism for community engagement.</li> </ul> <p><b>Practice</b></p> <ul style="list-style-type: none"> <li>ii) Scrutiny is characterised by effective communication to raise awareness of, and encourage participation in democratic accountability.</li> <li>iii) Scrutiny operates non-politically and deals effectively with sensitive political issues, tension and conflict.</li> <li>iv) Scrutiny builds trust and good relationships with a wide variety of internal and external stakeholders.</li> </ul> <p><b>Impact</b></p> <ul style="list-style-type: none"> <li>v) Overview and scrutiny enables the 'voice' of local people and communities across the area to be heard as part of decision and policy-making processes.</li> </ul>

# Appendix 2

## Recommendations from the report of the Auditor General's national improvement study 'Good Scrutiny? Good Question?' (May 2014)

Exhibit 3: recommendations from **Good Scrutiny? Good Question?** Scrutiny Improvement Study

Recommendation	Responsible Partners
R1 Clarify the role of executive members and senior officers in contributing to scrutiny.	Councils, Welsh Government, Welsh Local Government Association
R2 Ensure that scrutiny members, and specifically scrutiny chairs, receive training and support to fully equip them with the skills required to undertake effective scrutiny.	Councils, Welsh Government, Welsh Local Government Association
R3 Further develop scrutiny forward work programming to : <ul style="list-style-type: none"> <li>• provide a clear rationale for topic selection;</li> <li>• be more outcome focussed;</li> <li>• ensure that the method of scrutiny is best suited to the topic area and the outcome desired; and</li> <li>• align scrutiny programmes with the council's performance management, self-evaluation and improvement arrangements.</li> </ul>	Councils
R4 Ensure that scrutiny draws effectively on the work of audit, inspection and regulation and that its activities are complementary with the work of external review bodies.	Councils, staff of the Wales Audit Office, CSSIW, Estyn
R5 Ensure that external review bodies take account of scrutiny work programmes and the outputs of scrutiny activity, where appropriate, in planning and delivering their work.	Staff of the Wales Audit Office, CSSIW, Estyn

Recommendation	Responsible Partners
R6 Ensure that the impact of scrutiny is properly evaluated and acted upon to improve the function's effectiveness; including following up on proposed actions and examining outcomes.	Councils, Welsh Government, Welsh Local Government Association
R7 Undertake regular self-evaluation of scrutiny utilising the 'outcomes and characteristics of effective local government overview and scrutiny' developed by the Wales Overview and Scrutiny Officers' Network.	Council
R8 Implement scrutiny improvement action plans developed from the Wales Audit Office improvement study.	Councils
R9 Adopt Participation Cymru's 10 Principles for Public Engagement in improving the way scrutiny engages with the public and stakeholders.	Councils



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