

BRIDGEND COUNTY BOROUGH COUNCIL
REPORT TO THE GOVERNANCE AND AUDIT COMMITTEE

10 NOVEMBER 2022

REPORT OF THE CHIEF OFFICER - FINANCE, PERFORMANCE AND CHANGE
REGULATORY TRACKER

1. Purpose of report

1.1 The purpose of this report is to draw Governance and Audit Committee's attention to issues raised by Audit Wales about our monitoring, sharing and use of regulator reports, and recommendations arising from the reports and to propose solutions to improve processes.

2. Connection to corporate well-being objectives / other corporate priorities

2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015**:-

1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
3. **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

3.1 Audit Wales have raised issues about our use of their reports and recommendations. They believe we are not regularly / transparently logging their findings, effectively scrutinising or using them to improve our activities.

- 3.2 In developing the corporate self-assessment, there was no straightforward way to access or get a full understanding of regulator reports, findings or recommendations or how we had used them to influence our work.
- 3.3 The performance assessment functions of the Committee introduced by the Local Government and Elections (Wales) Act 2021, and information from Audit Wales, confirms that Governance and Audit Committees are expected to consider relevant reports and recommendations from external review bodies, and to receive assurances on the arrangements for their oversight and delivery.
- 3.4 Directorates have responsibilities to report on and respond to regulator activities (e.g. in the Director of Social Services Annual Report) but they are not collated, scrutinised or reviewed corporately.

4. Current situation/proposal

- 4.1 A high-level summary of the planned regulatory activity of Audit Wales is systematically included at Governance and Audit Committee. It is proposed that this is extended to cover all completed audits, reviews and inspections, and the specific recommendations they make for the Council. This would form a 'regulatory tracker' for Bridgend County Borough Council (BCBC). It could also be extended to cover all regulators (in terms of their broad, corporate or service wide inspections), including Estyn, Care Inspectorate for Wales (CIW) and HM Inspectorates for Probation and Prisons. This would bring us into line with many councils across Wales, including the updated approaches at the Vale of Glamorgan Council and Cardiff Council.
- 4.2 It is proposed that we focus primarily on the previous two financial years, 2020/21 and 2021/22, add further inspections as they are published and take out inspections only when all the recommendations against them are closed.
- 4.3 It is not proposed to include inspections of regulated services e.g. CIW inspections of residential homes, where there are numerous inspections each year, with numerous recommendations against each. For these inspections, responsibility sits more clearly with the appropriate Subject Overview and Scrutiny Committee.
- 4.4 It is not proposed to include thematic or national reports from Estyn or CIW. Again, there are large numbers of these reports with large numbers of recommendations for local authorities. Responsibility for these inspections and studies should sit with the appropriate Subject Overview and Scrutiny Committee.
- 4.5 It is proposed that this 'regulatory tracker' be considered in detail at Governance and Audit Committee twice yearly, in January and July to cover the first, then second half year's progress. This should include -

- a summary position to demonstrate progress made in responding to recommendations received from external regulators since the introduction of the tracker approach.
- a more detailed position showing all recommendations which are currently open (or where other recommendations for the inspection are still open) or recently completed / closed. This will ensure a focused consideration of all open and recently closed recommendations. A draft recommendation tracker for Committee's consideration is included in Appendix 1.

4.6 Actions against recommendations in the regulatory tracker should be owned by the relevant Directorates and regularly considered and scrutinised at Directorate Management Teams. It should be considered by Corporate Management Board and Cabinet regularly (quarterly) to ensure corporate and political oversight.

4.7 Regulatory reports are currently considered by Scrutiny Committees on an ad hoc, as required basis. It is proposed that the regulatory tracker (or the relevant parts of it) are added to scrutiny committee meetings as a regular item, with the various regulator recommendations and the actions the Council will put in place to respond considered in more detail. This will ensure that regulators' reports and findings are monitored and scrutinised in a more systematic, transparent way. If done effectively, it will also result in a clearer understanding of where regulator input has led to change and improvement in services.

4.8 The regulatory tracker should be owned and updated by the Corporate Performance Team with support from Democratic Services, Scrutiny and Directorate Business Managers.

5. Effect upon policy framework and procedure rules

5.1 There will be no effect on the policy framework and procedure rules.

6. Equalities Act 2010 Implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh language have been considered in the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals as a result of this report.

8. Financial implications

8.1 There are no financial implications associated with this report. Work will be undertaken by existing staff, within existing resources.

9. Recommendation

9.1 Governance and Audit Committee is recommended to: -

Consider and approve the proposed process and arrangements for a regulatory tracker for BCBC.

Carys Lord

CHIEF OFFICER - FINANCE, PERFORMANCE AND CHANGE

2 November 2022

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Background documents: None.