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Auditor General for Wales

# Overview and Scrutiny – Fit For the Future? – **Neath Port Talbot County Borough Council**

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The team who delivered the work comprised Sara-Jane Byrne, Katherine Simmons and Tim Buckle 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 Act 2015 (WFG Act) in relation to their scrutiny activity, as well as how councils are beginning to undertake scrutiny of Public Services 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?**
- 5 During December 2017 and January 2018 we undertook document reviews, interviewed a small number of key officers and ran focus groups with councillors to understand their views on Neath Port Talbot 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.
- 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 is making improvements to its scrutiny function, but further work remains to make it better placed to respond to current and future challenges. We came to this conclusion because:
- The Council is improving the environment in which overview and scrutiny operates, but pre-decision scrutiny is not timely or rigorous, and scrutiny committees are not effectively holding the Cabinet to account
  - The Council has made improvements to overview and scrutiny practice, but needs to strengthen public engagement, increase transparency and grasp opportunities for scrutiny to work differently
  - The Council does not evaluate the impact of overview and scrutiny and cannot demonstrate its overall effectiveness

## Proposals for improvement

- 8 The table below contains our proposals for ways in which the Council could improve the 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's scrutiny committees should ensure that, where appropriate, Cabinet members rather than council officers are held to account for the efficient exercise of executive functions in accordance with statutory guidance <sup>1</sup> .
P2	The Council should consider the intended role of scrutiny committees in pre-decision scrutiny activity and ensure current arrangements enable sufficient time for scrutiny.
P3	The Council should review its arrangements for planning and undertaking scrutiny, and consider different ways of working that best suit the topic area and desired outcome.
P4	The Council should strengthen scrutiny committee ownership of forward work programmes, ensuring that there is a clear rationale for topic selection.
P5	The Council should strengthen the arrangements for engaging the public in scrutiny.
P6	The Council should put in place arrangements for assessing the effectiveness and impact of overview and scrutiny.

<sup>1</sup> National Assembly for Wales, Guidance For County And County Borough Councils In Wales On Executive And Alternative Arrangements 2006, July 2006, Paragraph 2.1.8

# Detailed report

## The Council is making improvements to its scrutiny function, but further work remains to make it better placed to respond to current and future challenges

### The Council is improving the environment in which overview and scrutiny operates, but pre-decision scrutiny is not timely or rigorous, and scrutiny committees are not effectively holding the Cabinet to account

- 9 The Council defines the role of its overview and scrutiny function on its website as being:
- pre-decision scrutiny (considering decisions to be taken by Cabinet);
  - performance (monitoring how services are performing);
  - policy and partnership (considering the impact of policies and holding partners of the Council to account); and
  - post-decision scrutiny (considering the impact of decisions after they have been made).<sup>2</sup>
- 10 We found that the majority of scrutiny activity at the Council is pre-decision scrutiny and that, as we reported in our Annual Improvement Report 2014, overview and scrutiny committee activity is still predominantly aligned with Cabinet and Cabinet Board work programmes.<sup>3</sup> During our review, councillors told us that they valued the close links between Cabinet and scrutiny activity. As a result of the Council's pre-decision scrutiny arrangements, scrutiny committees regularly have the opportunity to consider items of relevance to the Council's improvement and governance arrangements.
- 11 The timescale for scrutiny committees to consider pre-decision scrutiny items is usually relatively short. Cabinet members frequently decide on these items at the Cabinet board meeting scheduled for immediately after the relevant scrutiny committee meeting on the same day. This approach to pre-decision scrutiny provides little time for scrutiny committees to plan their activity effectively, take ownership of the timing and method of scrutiny activity, or to determine if they require additional evidence to be gathered to inform their deliberations. This also limits scrutiny committees' ability to seek a range of perspectives to inform scrutiny

<sup>2</sup> Neath Port Talbot County Borough Council, [www.npt.gov.uk/5854](http://www.npt.gov.uk/5854)

<sup>3</sup> Auditor General, **Annual Improvement Report Incorporating the Corporate Assessment Report 2014 Neath Port Talbot County Borough Council**, Wales Audit Office, November 2014

activity. The Council should consider if the role of scrutiny committees in pre-decision scrutiny is sufficiently clear and meaningful. In doing so, the Council should also consider if its current arrangement for pre-decision scrutiny enables scrutiny committees to fulfil this role effectively. It may find for example, that consideration of fewer items in more detail, and with more time, would be a more effective use of limited scrutiny function resources.

- 12 Scrutiny committees routinely consider performance information relating to Council services and there is the opportunity for further development of performance scrutiny as part of the new performance management system being introduced.
- 13 In our Annual Improvement Report 2014, we highlighted that “whilst Cabinet Members at Neath Port Talbot attend the majority of scrutiny committee meetings they are not routinely questioned regarding policies, decisions and service performance, and instead largely attend as observers. This is not good practice.” This situation has not yet been addressed. Currently Cabinet members are not routinely being held to account by scrutiny committees. We found that officers, rather than Cabinet members, generally attend scrutiny committees to present reports, answer questions, and be held to account. The Council’s constitution states, ‘it is ultimately the elected executive which will be required to answer questions about its policies and decisions. Officer contributions should as far as possible be confined to questions of fact and explanation relating to policies and decisions...’ The Council’s scrutiny committees should ensure that where appropriate Cabinet members rather than council officers are held to account for the efficient exercise of executive functions in accordance with statutory guidance.
- 14 We understand that Cabinet members do now present reports at full Council meetings and senior Cabinet members are keen for all Cabinet members to start to take greater ownership of their portfolios in council meetings more generally, including scrutiny committees. Cabinet and scrutiny members reported that there is a more supportive culture of scrutiny within the Council.
- 15 To gain an understanding of the environment in which scrutiny operates, we also looked at the training available to scrutiny members. The Council has provided training for members on committee procedures and scrutiny. A scrutiny officer also delivered an induction session directly before the first scheduled meeting of each scrutiny committee. However, despite the training provided, some members remain confused over the role of Cabinet members in scrutiny.
- 16 The Council has provided some training to equip scrutiny members for the future. This included induction sessions on the Wellbeing and Future Generations (Wales) Act 2015 (WFG Act), and a seminar/workshop session with members on the Neath Port Talbot Public Services Board Local Wellbeing Plan. Some members highlighted to us the need for further training, for example in relation to chairing skills and in undertaking ‘post-decision’ scrutiny. The Council is taking steps to address these training needs. However, there is an opportunity for the Council to consider whether training in other areas would enable councillors to be better placed to meet current and future challenges. This could include options

appraisals, financial analysis, scrutinising regional, collaborative and commercial arrangements, and engaging ward members and stakeholders in scrutiny work.

- 17 Some scrutiny members have identified actions that they believe could help to better equip them to undertake scrutiny activity, such as observing overview and scrutiny committees in other councils. There is an opportunity for councillors to learn more about the different scrutiny practices employed elsewhere to help them reflect on possible alternative methods and approaches when planning future scrutiny activity within the Council.
- 18 The Council has developed the role of member Scrutiny Champion. The position requires the incumbent to engage with other elected members and assist in advocating and promoting best practice in relation to sound scrutiny arrangements as part of the Council's corporate governance processes.<sup>4</sup> The Council has also put in place a Chairs and Vice Chairs Forum. Scrutiny Chairs told us this was a positive development, enabling chairs to share intelligence, good practice or training needs.
- 19 The Council reviewed the dedicated officer support provided to scrutiny committees in 2017. The overview and scrutiny function are currently supported by a senior scrutiny and member development officer, two democratic services officers and a modern apprentice. Arrangements have been put in place to strengthen the support available to committees through the appointment of new members of staff. This was necessary to replace individuals who have changed positions, but it was also agreed that the democratic services assistant join the scrutiny team to provide additional support. Arrangements have also been made to provide accredited training to new staff members to improve the support they provide to scrutiny members. The Council intends to undertake a further review of officer support for overview and scrutiny committees in spring 2018 with a view to identifying any other support needs that are not being met. This provides the Council with an opportunity to consider the current support needs of scrutiny members, but also how these may change in light of current and future challenges. This could include ensuring that officers have the appropriate skills and expertise to support scrutiny members.

<sup>4</sup> Neath Port Talbot County Borough Council, **Report to Democratic Services Committee**, 1<sup>st</sup> February 2018



## The Council has made improvements to overview and scrutiny practice, but needs to strengthen public engagement, increase transparency and grasp opportunities for scrutiny to work differently

- 20 We observed some scrutiny committee meetings during our review. We found them to be well-run with a number of challenging and relevant questions being asked by members. We also heard that members felt that scrutiny committee meetings are generally not 'party political', and that the culture of committee meetings is productive.
- 21 From our observations and focus groups, it appears to us that the scrutiny committees' pre-briefing sessions are helping to make committee meetings more focused. These sessions help scrutiny committees to develop key lines of enquiry and a more cohesive approach to questioning. However, we found limited evidence that committees reflect on the best method of scrutiny activity when considering topics. We are aware that scrutiny committees sometimes establish task and finish groups and scrutiny inquiries. However, in common with many other councils in Wales, the majority of overview and scrutiny activity takes place at formal committee meetings where officer reports are considered.
- 22 When undertaking pre-decision scrutiny of Cabinet Board reports, scrutiny committees choose which items from the Cabinet Board agenda that they will scrutinise. However, the selected pre-decision scrutiny items are not set out in the scrutiny committee agenda so it would be difficult for the public to know which Cabinet Board agenda items are being scrutinised. This arrangement is not transparent. If no advance notice is provided to the public as to which items will actually be scrutinised, it is unclear how the Council makes effective arrangements in accordance with the Local Government (Wales) Measure 2011 to "enable all persons who live or work in the local authority's area to bring to the attention of the relevant overview and scrutiny committee their views on any matter under consideration by the committee".<sup>5</sup>
- 23 Officers and members acknowledged that public engagement is an area of weakness in the Council's overview and scrutiny arrangements and activity. Scrutiny committees rarely proactively seek the views of the public or service users as part of their work. Corporate engagement/consultation information is not systematically used by scrutiny committees to either identify potential scrutiny topics, or as evidence to inform scrutiny committee findings. As 'involvement' is one of the five ways of working set out in the WFG Act, the Council's overview and scrutiny committees may need to consider if their approach to engaging with the public in scrutiny remains appropriate as they scrutinise the extent to which the Council is acting in accordance with the sustainable development principle.

<sup>5</sup> [The Local Government \(Wales\) Measure 2011, 62 \(2\)](#)

- 24 Where the overview and scrutiny committees decide to establish task and finish groups or panels to review specific issues, there are clear processes in place to challenge the choice of topic and to plan the scrutiny exercise. The task and finish group produce a scoping paper and hold a planning meeting to challenge the topic selection and consider the main aims from the project, and the key issues to be addressed. A scoping template form is used. This includes how the scrutiny activity will contribute to achieving corporate/community objectives/priorities, an initial list of key officers, stakeholders or other agencies to involve, and timescales for completing the exercise. However, as the majority of scrutiny activity currently takes place at scrutiny committee meetings, this level of planning is limited to a small proportion of scrutiny activity.
- 25 The Council's Constitution restricts the number of questions members can ask during any committees, and the duration that each member can question witnesses. This could potentially hinder effective scrutiny through stifling debate. However, our observations of scrutiny committees suggested that applying this restriction was not common practice and seemed to be implemented at the Scrutiny Chairs' discretion. The Democratic Services Committee has recognised that the Constitution requires amendment, and has resolved to ask the Monitoring Officer to consider amending the constitution to take into account the scrutiny process.
- 26 The Council's Cabinet has developed forward work programmes for Cabinet Boards and for the Cabinet. These forward work programmes will help scrutiny members to identify in a more timely way the forthcoming items they wish to focus on. However, scrutiny committee forward work programmes are not fully developed. They do not include the rationale for items, their purpose or the outcome that is expected of the scrutiny activity. Members are, however, beginning to become more selective of the items they choose to scrutinise from Cabinet Board agendas. They are suggesting more items to be added to forward work programmes that they themselves have identified, showing greater ownership of their activity.
- 27 The Council recognises that scrutiny of outside bodies is an area that needs further development, although the Council does participate in the joint scrutiny arrangements that have been set up to look at the effectiveness of 'Education through Regional Working' (ERW) across the region.<sup>6</sup>
- 28 As part of our review we considered how councils are beginning to undertake scrutiny of Public Services Boards. At the time of our fieldwork, the Policy and Resources Scrutiny Committee was discharging the function for scrutinising the Neath Port Talbot Public Services Board. They held their first meetings in January 2018. It is too early in the development of PSB scrutiny for us to comment on the effectiveness of these arrangements at the Council.

<sup>6</sup> Education through Regional Working (ERW) is one of four regional school improvement consortia in Wales.

## The Council does not evaluate the impact of overview and scrutiny and cannot demonstrate its overall effectiveness

- 29 As part of our review, we asked officers and members to identify examples where scrutiny activity had made an impact or added value. Officers and members highlighted some examples such as consultation on budget setting, and task and finish groups challenging current arrangements and making recommendations about community safety and tourism, which have been accepted by Cabinet. However, as noted in [paragraph 21](#) above, the vast majority of overview and scrutiny activity in the Council is undertaken during formal committee meetings. Our review of scrutiny committee minutes found that at the conclusion of a number of items, reports were noted with no obvious outcome as a result of the scrutiny activity. We also found little evidence of scrutiny committees providing constructive challenge to Cabinet members during committee meetings.
- 30 The Council does not regularly review the overall effectiveness of its overview and scrutiny function, and overview and scrutiny committees have not produced annual reports in recent years. The Council has, however, demonstrated a willingness to improve the effectiveness of its overview and scrutiny arrangements. This includes drawing on outside support or guidance, such as reflecting on the work undertaken by the Association for Public Service Excellence (APSE), to help improve scrutiny practice. The Council has also developed some local performance indicators relating to overview and scrutiny, including the number of recommendations made by committees and agreed by the Cabinet. The Council therefore has an opportunity to reflect on the work it is already undertaking to improve overview and scrutiny practice to develop a more comprehensive approach to evaluate the effectiveness and impact of overview and scrutiny activity.

# 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

Recommendation	Responsible Partners
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
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 & 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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