

## Follow-up Review of Scrutiny Arrangements – Powys County Council

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# Summary report

## Summary

### What we reviewed and why

- 1 In 2018, Audit Wales undertook a review of scrutiny arrangements at Powys County Council (the Council). We concluded that the Council had been slow to develop its scrutiny arrangements and there were fundamental areas it needed to address if scrutiny was to operate effectively and have impact. We made a series of proposals for improvement:
  - be specific in the reports presented to overview and scrutiny why the committee is receiving the information and how this relates to the role of the scrutiny committee;
  - provide more training specifically for Chairs and Vice Chairs of overview and scrutiny committees to enable them to be more effective in their role;
  - make arrangements for further training for scrutiny committee members on the Well-Being of Future Generations (WFG) Act in order to help embed WFG considerations into the Council's decision-making processes;
  - strengthen arrangements for public and other stakeholder engagement in overview and scrutiny;
  - clarify the arrangements for feeding back overview and scrutiny committees' views to Cabinet and for Cabinet to respond to recommendations made; and
  - put in place arrangements for assessing the effectiveness and impact of overview and scrutiny.
- 2 In following up our previous work, we mainly focused on five key areas:
  - Role and aim of scrutiny
  - Planning
  - Scrutiny methods
  - Support arrangements
  - Evaluation
- 3 The five areas broadly reflect the themes set out in our 2019 discussion paper Six themes to help make scrutiny 'Fit for the Future', with some adjustments to reflect local priorities.
- 4 We undertook our review during the period February 2021 to May 2021.

### What we found

- 5 Our review sought to answer the question: Has the Council acted on Audit Wales' previous proposals for improvement and identified further opportunities for improvement?

- 6 Overall, we found that: The Council has made limited progress in addressing the issues we raised in our 2018 report on the effectiveness of its scrutiny function, in part due to the COVID pandemic, and there is consensus across members and officers that scrutiny is not working as effectively as it could. We reached this conclusion because:
- the Council’s progress since our report in 2018 has been limited, in part due to the COVID pandemic, and most of our 2018 proposals for improvement are yet to be fully addressed;
  - a continued lack of clarity and understanding of the roles and responsibilities of members, officers and cabinet members is the key issue hindering effective scrutiny;
  - there continues to be significant scope to improve scrutiny planning;
  - scrutiny committees do not always consider the most appropriate and effective way to undertake scrutiny work;
  - the Council has not yet put in place effective arrangements to support its scrutiny function; and
  - the Council has not yet put in place arrangements to fully assess the impact of its scrutiny activity.

## Recommendations

### Exhibit 1: recommendations

The table below sets out the recommendations that we have identified following this review.

#### Recommendations

##### 2018 Proposals for improvement

The Council should prioritise the following:

- R1** Revisit the PFIs set out in our 2018 scrutiny effectiveness report and fully address them.

## Recommendations

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To help the Council fully address our 2018 proposals for improvement, we have set out below some additional recommendations for it to address:

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### Roles and Responsibilities

- R2** The Council should clarify the role of the finance panel and assure itself that it is lawfully constituted.
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### Planning scrutiny activity

The Council should:

- R3** Reconsider the function, role and composition of the Coordinating Committee in order to ensure that the Council has a means of coordinating its scrutiny work that is distinct from the scrutiny committees' role in setting their own work programmes.
- R4** Clarify the process by which scrutiny members and chairs can propose topics to be included on the scrutiny work programme and considered by scrutiny.
- R5** Develop a methodology that will allow its scrutiny committees to plan their work programme over a longer time frame, eg for a year, whilst retaining enough flexibility to respond to additional issues should they arise unexpectedly.
- R6** Allow Scrutiny members more time to plan their activity properly.
- R7** Ensure that scrutiny considers what outcomes it wishes to achieve before it decides what and how it will undertake any scrutiny activity, and then plan its activity to ensure it aligns with the outcome it is seeking.
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### Scrutiny methods

- R8** The Council's scrutiny function should consider a range of methodologies for conducting scrutiny, beyond the traditional committee approach, and select the most appropriate methodology for the subject matter at hand.
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### Support for scrutiny

The Council should:

- R9** Provide further training for all members and relevant officers on the roles and responsibilities involved in an effective scrutiny function, including specific training for scrutiny Chairs and Vice Chairs, and for those officers who provide support for scrutiny.

## Recommendations

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- R10** Review the nature and scope of the support available to the scrutiny function to ensure that members receive support to inform the planning and undertaking of their work programmes, as well as committee administration support.

# Detailed report

The Council has made limited progress in addressing the issues we raised in our 2018 report on the effectiveness of its scrutiny function, in part due to the COVID pandemic, and there is consensus across members and officers that scrutiny is not working as effectively as it could

**The Council's progress since our report in 2018 has been limited, in part due to the COVID pandemic, and most of our 2018 proposals for improvement are yet to be fully addressed**

- 7 In 2018, we issued our report [Powys County Council – Overview and Scrutiny – Fit For the Future?](#) and made a series of proposals for improvement.
- 8 In 2019, the Council reviewed its scrutiny function with the help of external consultants. It made changes to its scrutiny structure in 2019, including establishing:
  - working groups to develop members' subject-specific knowledge; and
  - a formal process for feeding back Cabinet decisions.
- 9 More recently, the Council has been working to develop scrutiny's role in monitoring its service improvement and performance.
- 10 During the pandemic in 2020, Powys was quick to reintroduce normal democratic arrangements via online meeting technology, as set out in our July 2020 summary note on digital democracy at the Council. Scrutiny has therefore been able to meet more frequently over the last year, and we understand that attendance has also increased as a result of remote meetings.
- 11 We fully recognise that 2020 was a challenging year due to COVID and we accept that some elements of scrutiny development have slowed or stopped as a result. For example, between March 2020 and May 2021, the Council was operating on a business continuity model. This meant that during this time, scrutiny committees were not able to commission their own reports from officers and were restricted to considering reports that had already been produced for Cabinet.
- 12 Even when taking into account the added challenges caused by the pandemic, progress since our report in 2018 has been limited and most of the proposals for improvement in our report are yet to be fully addressed.



## **A continued lack of clarity and understanding of the roles and responsibilities of members, officers and cabinet members is the key issue hindering effective scrutiny**

- 13 We found that there is no clear or shared understanding about the role of scrutiny across the Council, amongst officers or members, although the roles and responsibilities of scrutiny and cabinet members is set out in the arrangements. This fundamental issue is the root cause of many of the other issues hindering the Council's scrutiny function from operating effectively.
- 14 The role and composition of the Council's Finance Panel is also unclear. We understand that the way in which the Finance Panel operates has changed over time. This has resulted in a situation where the Panel is widely considered to be a tool for scrutiny, and is included in the Council's constitution in the same section as other scrutiny arrangements, yet it also has a Cabinet Member as a member of the Panel. The Local Government Act 2000 states that a council's scrutiny committee or sub-committee may not include any member of the authority's executive (Cabinet). A clearer definition and understanding of the role and purpose of the Panel, as well as the respective roles of scrutiny members and executive members, would help to assure the Council that the Panel is constituted lawfully, and ensure that the role and function it wishes such a Panel to contribute to the Council's scrutiny arrangements are clearer and more effective.
- 15 There is also limited understanding amongst members and officers of scrutiny's role and potential within the Council's wider governance arrangements. This includes the role of scrutiny in relation to the Council's internal improvement service boards, which is also unclear.
- 16 The Council has prepared written guidance for scrutiny members, as part of a report to Council on 30 July 2020 on its arrangements to replace the external Improvement and Assurance Boards, but the lack of common understanding of the role of scrutiny shows that it is not helping to provide clarity about how roles and responsibilities should best work in practice.

## **There continues to be significant scope to improve scrutiny planning**

- 17 Evidence of Council members leading and initiating their own scrutiny work programme or agenda items is limited. We acknowledge that the pandemic has played a part in slowing progress in this area. For example, from March 2020 to May 2021, the Council was operating on a 'business critical' footing, which meant that scrutiny was able to consider reports that had already been produced for Cabinet or Council, but was not able to independently commission work of its own from officers.
- 18 As part of its scrutiny arrangements, the Council has put in place a Coordinating Committee, made up of scrutiny chairs and vice-chairs, the chair and vice chair of the Audit and Governance Committee, senior officers and two Cabinet Members.

We found that there is broad consensus across the Council that the Coordinating Committee is not working effectively.

- 19 There is a lack of clarity about the role of the Coordinating Committee. The Council's constitution says that the Coordinating Committee is responsible for setting the work programme for each scrutiny committee. During our fieldwork, the Coordinating Committee's role was described to us as sharing information and preventing duplication. If the role of the Coordinating Committee is in fact to set the work programme of each scrutiny committee, the role and function of the senior officers and Cabinet Members who sit on the Coordinating Committee need to be clarified, in order to prevent the perception that they are having an undue influence on the scrutiny committees' work. The role of each scrutiny committee in setting its own work programme, and the arrangements by which members can add items to the scrutiny committees' agendas also need to be clarified.
- 20 The [2006 statutory guidance on executive and alternative arrangements](#) states that, generally, the Chair of the committee should take the lead in planning the work programme, although they will need to take into account what plans the executive may have that will require input from scrutiny. The guidance also states that the Chair needs to take into account the views of other members of the committee in determining the work programme. [The Local Government Act 2000](#) states that the Council should have arrangements in place for any member of a scrutiny committee to refer to the committee any matter that is relevant to the functions of the committee. The arrangements should enable the Council to ensure that the matter is included in the agenda for, and discussed at, a meeting of the committee or sub-committee. It is not clear that the Council's present arrangements provide a reliable means of satisfying the requirements of the legislation and statutory guidance.
- 21 The Council has published a scrutiny work programme on the Council's website, but at the time of our fieldwork this was out of date. [The statutory guidance for the 2011 Local Government Measure](#) says that councils should publish this information. Not doing so also raises questions about how well the Council plans its scrutiny activity, as well as its transparency and public engagement arrangements.

## **Scrutiny Committees do not always consider the most appropriate and effective way to undertake scrutiny work**

- 22 The Council does not have a formal mechanism for the public to get involved in its scrutiny activity, and there are limited examples of how scrutiny has involved the public. [The Local Government Wales Measure 2011](#) states that councils must make arrangements that enable all persons who live or work in the area to bring to the attention of the relevant scrutiny committee their views on any matter under consideration by the committee. It is not clear how a person would do this under the Council's current arrangements.

- 23 Scrutiny activity at the Council is mainly focused on traditional committee scrutiny of written reports. Whilst formal committee meetings and reports have an important role to play, there are many additional ways of undertaking scrutiny activity to make scrutiny more effective. We acknowledge that the pandemic will have had an impact on scrutiny's ability to consider and act on alternative or innovative methods of exploring topics. However, we did not find evidence of innovative scrutiny practices at the Council prior to the pandemic.
- 24 The Council has resources and expertise available to it across the organisation. Scrutiny is not currently drawing upon that wide ranging expertise to inform and support their work by, for example, asking officers to provide additional data or research. We acknowledge that the pandemic will have limited the opportunities to develop this style of working, due to the increased demands on officers' time, but we also note that this was an issue for the Council prior to the pandemic.

### **The Council has not yet put in place effective arrangements to support its scrutiny function**

- 25 The Council's Members need more support and guidance on the role and function of scrutiny, and the most effective way they contribute to making it effective. As set out earlier in the report, members (and officers) do not currently have a clear and common understanding of scrutiny's role, and this is preventing the scrutiny function from working effectively. The support that members currently receive can be characterised as traditional clerking and committee administrative support. We did not find that members receive broader support with, for example, understanding their role in contributing to scrutiny, what is good/bad practice, and in selecting and deciding on topics, wider evidence, or additional research.
- 26 Linked to our earlier point about support from the wider organisation, scrutiny members do not always know what additional data or information could be available to them if they were to request it.
- 27 There is an opportunity for the Council to look again at the training and development it provides to members. Members and officers told us about the service-specific training members have received, in order to help them build up their knowledge of a particular subject matter, but we did not hear that they had received a similar level of scrutiny-specific training and development on how to best scrutinise such key issues. Members receive some training on scrutiny early on in the electoral cycle, but this is typically received alongside a lot of other information, at a time when Members may have limited experience of scrutiny in practice. Chairs of scrutiny committees told us that they had not received training specific to their role. If the Council were to undertake ongoing scrutiny-specific training and coaching, the service-specific training they are receiving would rest on a firmer foundation. It would also address some of the issues regarding helping to clarify roles and responsibilities.

## **The Council has not yet put in place arrangements to fully assess the impact of its scrutiny activity**

- 28 The Council has done work to review the scrutiny function more broadly and make some changes to the way it works, but at the time of our fieldwork, the Council did not have a system in place specifically for evaluating the impact of its scrutiny work, which hinders its learning and improvement.
- 29 Scrutiny members also told us that they are not always clear about the impact of their work.
- 30 The Council collects some quantitative data such the number of recommendations made to Cabinet and the number of recommendations accepted by Cabinet, but the picture this provides about what impact it achieves is limited. For example, this data does not tell the Council anything about the quality of the recommendations made, how the Cabinet acted on them, or whether any improvements to the effectiveness of the Council's services and policies were achieved as a result.





Audit Wales

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

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