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Overview and Scrutiny – Fit For the Future? – **Newport City Council**

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This document is also available in Welsh.

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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 in relation to their scrutiny activity, as well as how councils are beginning to undertake scrutiny of Public Service Boards. 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) ([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 Well-being of Future Generations 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 We undertook our review during December 2017 and January 2018. We reviewed documents, observed a sample of scrutiny committee meetings, interviewed officers and held focus groups with members involved in scrutiny to obtain their views on Newport City Council's (the Council) current scrutiny arrangements and understand how the Council is approaching and intends to respond to the challenges identified above.
- 6 We conclude that the Council's leadership is committed to improving its scrutiny function and to meet current and future challenges for scrutiny, but members need a fuller understanding of their scrutiny role and more effective, timely training. We came to this conclusion because:

- a. the Council has made recent changes to its scrutiny arrangements, which now need to be strengthened and embedded effectively in order for it to be well-placed to meet current and future challenges;
- b. the Council is creating a new environment for scrutiny to drive improvement, however members' need a fuller understanding of their role in scrutiny and timely and specific member training to improve their effectiveness; and
- c. the Council is improving the planning and operation of its scrutiny function, which can be strengthened by greater alignment between the work of scrutiny and Cabinet.

Proposals for improvement

- 7 The table below contains our proposals for ways in which the Council could further 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
<p>The Council's scrutiny function could be further strengthened by:</p> <p>P1 Providing a structured and timely member development programme to improve members' scrutiny skills and improve their understanding of their scrutiny role;</p> <p>P2 Effectively holding Cabinet members to account for service performance when invited to scrutiny meetings;</p> <p>P3 Improving the planning and links between the forward work programmes of scrutiny committees and Cabinet;</p> <p>P4 Providing further training for scrutiny members on the Well-being of Future Generations (Wales) Act to improve their understanding and consideration of the Act when undertaking scrutiny activity;</p> <p>P5 Reviewing the impact of the new scrutiny structure and arrangements in driving improvement; and</p> <p>P6 Improving the public's engagement with the scrutiny function by using a wider range of engagement methods.</p>

Detailed report

The Council's leadership is committed to improving its scrutiny function and to meet current and future challenges for scrutiny, but members need a fuller understanding of their scrutiny role and more effective, timely training

The Council has made recent changes to its scrutiny arrangements, which now need to be strengthened and embedded effectively in order for it to be well-placed to meet current and future challenges

- 8 The Council's leadership has started to drive significant changes to its scrutiny arrangements to ensure greater involvement of the scrutiny function in the Council's improvement journey.
- 9 Between March and May 2017 the Council undertook a self-evaluation and a peer review of its scrutiny arrangements with two neighbouring councils. The peer review identified a number of improvement actions including:
 - a. cabinet members to be invited and held to account at any scrutiny committee meeting considering the performance of Council service areas;
 - b. setting up regular meetings between the Chairs and the Directors / Heads of Service to discuss in advance the scrutiny committees' forward work plans, and raise any issues directly;
 - c. a training session for members on questioning skills and the use of pre-meetings in developing lines of enquiry;
 - d. a training session for Chairs on the roles and responsibilities of a Scrutiny Chair; and
 - e. the Scrutiny Team to continue to work closely with the Gwent Local Authorities to share best practices and ways of working.
- 10 The Council also carried out its own self-evaluation of scrutiny. Whilst only three officers and eight scrutiny members responded to it, the responses show a good insight of the scrutiny function and recognises the improvements to the scrutiny function so far. These are:
 - a. improvements in co-ordinating, managing and prioritising scrutiny work programmes;
 - b. greater focus on the outcomes scrutiny committees can achieve; and
 - c. significant improvements to the structure of meetings with more logical member questions which are more focused and relevant.

- 11 The three officers and eight scrutiny members that participated in the self-evaluation of scrutiny also identified further improvements:
- a. reduce agenda items per meeting as scrutiny would benefit from doing less, more effectively – i.e. less light touch items, more in-depth reports;
 - b. holding decision-makers to account on how decisions have been effectively implemented;
 - c. scrutiny to take into account the views of the public, partners and regulators; and
 - d. chairing skills could be developed to help make meetings more streamlined and focused.
- 12 This feedback provides officers and members with a focus on how the scrutiny function can be more valued and integrated as part of the improvement agenda.
- 13 We note that the Council is addressing many of the improvement actions identified in the peer review and self-evaluation. The Council has put in place arrangements through the Overview and Scrutiny Management Committee to evaluate the effectiveness of scrutiny. The Overview and Scrutiny Management Committee is scheduled to receive reports on the Council's scrutiny evaluation exercise and the peer review with two neighbouring councils. The Council should use these arrangements to assess and assure itself that its identified improvement actions are enabling it to meet its aspirations for its scrutiny function.
- 14 Within the Scrutiny Annual Report 2016-17, the Council set out twelve planned improvement actions for scrutiny for 2017-18 that support four main outcomes:
- a. holding Cabinet to account for decisions and performance of service areas;
 - b. improving scrutiny work programmes;
 - c. for scrutiny to promote and support the public voice in decision-making and seek views of stakeholders; and
 - d. develop an effective system for the scrutiny of the Public Service Board.
- 15 The Council however did not set out any planned improvement actions for 2017-18 to organise and deliver development and training opportunities to support members in these revised scrutiny arrangements. This is an oversight at a time when the Council is changing and introducing new arrangements to support scrutiny committees and members in being more effective.
- 16 In May 2017, the Council approved a change from three scrutiny committees to four scrutiny committees with clearly defined terms of reference including a 'Performance Scrutiny Committee – Partnerships' to focus solely on holding partnerships to account, such as the Public Service Board. The Council has also aligned the new scrutiny committee portfolios with those of the Officer structure:
- People
 - Place
 - Corporate.

- 17 The scrutiny function now has a focus on performance monitoring, policy review and development, performance of partnerships and scrutiny of corporate strategies and plans. The new scrutiny committee structure provides scrutiny with a clear purpose to provide greater and improved challenge to Cabinet and drive improvement. At the time of our fieldwork, in January 2018, the new structure had been in operation for eight months with individual scrutiny committees having met between three and five times during that period. The Cabinet and the majority of members are aware of the rationale for the restructuring of the scrutiny committees. The Council is aware of the need to review the effectiveness of its new approach. Annually the Overview and Scrutiny Management Committee undertakes a scrutiny self-evaluation exercise to determine what actions scrutiny should take in the following year to improve its own performance. Through its annual report, the Committee also assesses the implementation of the Scrutiny Action Plan and considers the effectiveness of the Scrutiny function. The Council should use those arrangements to ensure that the scrutiny function is becoming more effective and can deal with current and future challenges.
- 18 During our fieldwork, members' and officers' views on future challenges for scrutiny differed. While some could clearly explain potential challenges, others were uncertain. For those officers and members that did state possible future challenges, these were a mix of internal challenges and external challenges, such as ongoing austerity and the impact on services users and residents.
- 19 A key challenge for the Council is to keep pushing the pace at which it has started to change and improve scrutiny over the last year to strengthen and embed its new arrangements, so that members become more confident and effective in their roles.
- 20 The Council's current focus is on developing a scrutiny function that is effective, performs its role and is valued. While officers and some members have views on future challenges, its priority is supporting a cultural change, embedding the new scrutiny structure, supporting members and determining if the new scrutiny structure and arrangements are delivering improved scrutiny and driving improvement.

The Council is creating a new environment for scrutiny to drive improvement, however members need a fuller understanding of their role in scrutiny and timely and specific member training to improve their effectiveness

- 21 A constructive relationship is beginning to emerge between scrutiny and Cabinet. The role of Cabinet members is now clear in terms of being held to account for performance of their service areas. The Council has updated its 'guide to scrutiny' for members, and 'Cabinet attendance at scrutiny' guidance document to re-enforce the interaction, roles and responsibilities of all members.

- 22 Whilst we recognise that the changes to the scrutiny structure are relatively new, not all members have a clear understanding yet on when and whether it is appropriate to hold either officers or Cabinet members to account. This may be partly attributed to the practice prior to May 2017 when not all Cabinet Members attended scrutiny committee meetings. Some members continued to state that their role is to scrutinise officer decisions and to hold officers to account. However, other members were clear that scrutiny's role is to hold Cabinet Members to account but were unclear how this would happen.
- 23 At the Performance Scrutiny Committee that we observed, aside from one Cabinet Member who presented information and responded to member questions, the Heads of Service presented performance information. Members' therefore directed their questions to Heads of Service who generally responded rather than Cabinet members.
- 24 The Council may find it useful to review their arrangements in line with the guidance¹ issued by the National Assembly for Wales in 2006 which states:
'The executive and overview and scrutiny committees should always bear in mind that it is for the elected executive to answer questions about its policies and decisions. When officers appear to answer questions their contribution should, as far as possible, be confined to questions of fact and explanation relating to policies and decisions.'
- 25 The same Guidance also makes clear that one of the roles of elected members participating in overview and scrutiny is:
'To hold the executive to account for the efficient exercise of executive functions – especially the performance of the executive as measured against the standards, objectives and targets set out in the policies and plans which it is implementing.'
- 26 The recent changes to the scrutiny structure mean that scrutiny members need support and guidance on how to scrutinise effectively, and to enable this, relevant, specific and timely training and development opportunities are essential. In supporting scrutiny members, the Council has provided training, following the May 2017 elections, for each scrutiny committee including a 'Strengths, Weaknesses, Opportunities and Threats' analysis on the Council's services relevant to each committee, and an outline of the Performance Management Framework highlighting the role of scrutiny in performance management. The Council also provided members with a briefing on the budget cycle and monitoring process. Many members commented that whilst this was useful background information, it was not specific enough to improve the quality of member challenge and scrutiny. The Council also organised two training sessions in October 2017 on questioning skills provided by the Welsh Local Government Association (WLGA) which covered effective questioning, use of pre-meetings and developing effective questioning

¹ Guidance For County And County Borough Councils In Wales On Executive And Alternative Arrangements 2006 (2006 No. 56)

strategies. 14 members of the 41 non-executive members attended these training sessions.

- 27 To date the Council has offered some training on developing members' scrutiny skills. After their induction following the May 2017 election, members were asked to complete a training needs assessment. However, members stated this assessment was too soon in the new electoral cycle as new members were unfamiliar with the role, skills and knowledge they need. As at January 2018, the Council had not produced a member development and training plan to support members in their new pre-decision and performance monitoring scrutiny roles.
- 28 While it is encouraging that the scrutiny function now has a higher profile within the Council's governance and improvement arrangements, and members have been offered some opportunities to enhance their scrutiny skills to achieve the intended impact, they do not yet fully understand how they can be effective scrutiny members.
- 29 Members demonstrated low levels of awareness of the sustainable development principle and associated 'five ways of working', as set out in the Well-being of Future Generations (Wales) Act 2015 ² (WFG Act). Some members are aware that officer reports contain information on the five ways of working, and covering reports contain questions which relate specifically to the Act, but at the time of our fieldwork members told us this information is not consistently discussed or considered when making recommendations. The 'Performance Scrutiny Committee – Partnerships' received an overview of the WFG Act as part of their committee training. The Council provided such an overview to other scrutiny committees prior to the local elections in May 2017 and has plans to provide this training to other committees. Scrutiny committee members used the five ways of working as part of their scrutiny of the draft budget proposals in January 2018. Members challenged the extent to which the business cases that underpinned the budget proposals had taken account of the Act and the sustainable development principle. Each scrutiny committee has an allocated scrutiny support officer. Members value the support, accessibility and openness of the scrutiny support team.

The Council is improving the planning and operation of its scrutiny function, which can be strengthened by greater alignment between the work of scrutiny and Cabinet

- 30 Before May 2017, the three previous scrutiny committees would receive performance and financial information after Cabinet approval. Therefore, the impact of scrutiny on driving improvement was limited. Scrutiny committees now receive performance and financial information before Cabinet which should enable

² Long-term, Prevention, Integration, Involvement and Collaboration

scrutiny committees to better hold Cabinet members to account and drive improvement.

- 31 We observed three scrutiny committee meetings:
 - a. Overview and Scrutiny Management Committee – 16 November 2017
 - b. Performance Scrutiny Committee – Partnerships – 10 January 2018
 - c. Performance Scrutiny Committee (Place and Corporate) – 5 March 2018
- 32 Since May 2017, all scrutiny committee meetings have pre-meetings to help members discuss relevant questions and develop an agreed questioning strategy before the main committee meeting. The management and leadership of the pre-meetings we observed varied in quality. Currently at some pre-meetings, the scrutiny support officers play an active role in driving the pace and discussions. The Council should ensure it provides support and development to scrutiny committee Chairs to lead meaningful and focussed pre-meetings effectively.
- 33 Some members however, commented that at times, pre-meetings and committee meetings have been ineffective. Not all members read meeting papers which limits their impact and the value of their contribution to developing an informed and meaningful set of questions or questioning strategy for the main committee meeting.
- 34 Council officers and external partners were well prepared for the meetings we observed, and presented information with confidence and knowledge. The right people generally attended with some members asking relevant and informed questions. However, there were some scrutiny members making statements rather than asking questions, and some engaged in side-discussions. Scrutiny Chairs had mixed success in managing those discussions.
- 35 Members do not yet have full understanding of the role of the scrutiny committee forward work programmes. At each scrutiny committee meeting, committee members discuss and agree the agenda items for the next two scrutiny meetings. However, during our fieldwork, members stated they are not involved in developing the annual forward work programmes, but they do receive a draft for consideration. Some members were uncertain about the arrangements for scrutiny committees to consider an item that is on the Cabinet forward work programme or how to suggest agenda items for the annual forward work programmes. .
- 36 The Cabinet receives monthly updates to its forward work programme which set out the reports and decisions that are due to be brought to subsequent meetings. Scrutiny Committees can use the Cabinet forward work programme to plan their own forward work programmes. Despite these arrangements, members are concerned there is not enough time for individual scrutiny members to identify any issue that they would like to scrutinise pre-decision. Scrutiny members also felt frustrated they do not have Council provided mobile devices, or access to their Council email account on their own devices. Therefore, members are not always able to respond to Cabinet business in a timely manner. Some members were also

unaware that scrutiny can proactively request information and consider issues pre-decision.

- 37 There is however a commitment from scrutiny support officers and the political leadership to develop a joint scrutiny and Cabinet forward work programme to improve the planning of scrutiny.
- 38 Individual Cabinet members have delegated decision-making responsibilities but they do not have published forward work programmes. Scrutiny members receive individual cabinet member decision schedules by email approximately one week before individual Cabinet members make decisions. It is difficult for scrutiny members to understand the emerging issues for individual Cabinet members. Consequently, there is the potential for scrutiny not be sighted of, or have the opportunity to, scrutinise pre-decision.
- 39 Currently there is a lack of structure and uncertainty as to how Scrutiny is informed of individual Cabinet member issues and pending decisions. Officers state the intention is to set up Chairs/Heads of Service/Cabinet member quarterly meetings to improve communication and improve alignment between work of Cabinet and Scrutiny.
- 40 Members noted that public engagement with scrutiny is generally low and tends to focus on single specific issues. The lack of engagement with the public was felt by members and Cabinet to reflect general low levels of public engagement with democratic processes. In 2015, the Council produced a Public Engagement Strategy for scrutiny but that has had limited influence and impact to date.
- 41 The Council's public engagement focus so far has been on making scrutiny meetings more accessible, for example, introducing nameplates for members and officers, improved room signage to committee meeting rooms and a designated seating area for the public. However, this focus is reliant on the public proactively wishing to attend scrutiny meetings, rather than helping to influence scrutiny forward work programmes. The Overview and Scrutiny Management Committee will be reviewing the Public Engagement Strategy as part of its forward work programme. Officers recognise the strategy needs updating to reflect different methods to improve engagement with the public and for the public to have a greater influence.

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
What does good scrutiny seek to achieve?	What would it look like? How could we recognise it?
1. Democratic accountability drives improvement in public services. 'Better Services'	Environment i) Scrutiny has a clearly defined and valued role in the council's improvement arrangements. 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. Practice iii) Overview and Scrutiny inquiries are non-political, methodologically sound and incorporate a wide range of evidence and perspectives. Impact iv) Overview and scrutiny regularly engages in evidence based challenge of decision makers and service providers. v) Scrutiny provides viable and well evidenced solutions to recognised problems.

Outcomes	Characteristics
<p>What does good scrutiny seek to achieve?</p>	<p>What would it look like? How could we recognise it?</p>
<p>2. Democratic decision making is accountable, inclusive and robust. 'Better decisions'</p>	<p>Environment</p> <ul style="list-style-type: none"> i) Scrutiny councillors have the training and development opportunities they need to undertake their role effectively. 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. <p>Practice</p> <ul style="list-style-type: none"> 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. iv) Stakeholders have the ability to contribute to the development and delivery of scrutiny forward work programmes. v) Overview and scrutiny meetings and activities are well-planned, chaired effectively and make best use of the resources available to it. <p>Impact</p> <ul style="list-style-type: none"> vi) Non-executive Members provide an evidence based check and balance to Executive decision making. vii) Decision makers give public account for themselves at scrutiny committees for their portfolio responsibilities.
<p>3. The public is engaged in democratic debate about the current and future delivery of public services.</p>	<p>Environment</p> <ul style="list-style-type: none"> i) Scrutiny is recognised by the Executive and Corporate Management team as an important council mechanism for community engagement. <p>Practice</p> <ul style="list-style-type: none"> ii) Scrutiny is characterised by effective communication to raise awareness of, and encourage participation in democratic accountability. iii) Scrutiny operates non-politically and deals effectively with sensitive political issues, tension and conflict. iv) Scrutiny builds trust and good relationships with a wide variety of internal and external stakeholders. <p>Impact</p> <ul style="list-style-type: none"> 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.

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"> • 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. 	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 & 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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