

MEETING	Governance and Audit Committee
DATE	18 January 2024
TITLE	REVIEWING SCRUTINY ARRANGEMENTS.
PURPOSE OF THE REPORT	The Governance and Audit Committee is asked to consider the detailed review work and the recommendation of the Scrutiny Forum, by making a recommendation to present to the Full Council on 07/03/2024
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1. The Governance and Audit Committee has a role to ensure that appropriate governance arrangements are in place. A review of the current scrutiny arrangements was carried out following Audit Wales' report. Information is presented of all the discussions that have been held as well as the opinion of the Scrutiny Forum on moving forward, which is that the current scrutiny arrangements should continue.
2. It is noted that the report below focuses specifically on the scrutiny arrangements. Other matters which run parallel to and assist the scrutiny procedure are given separate attention by the Chief Executive, matters such as:
 - Arrangements for challenging and reporting performance.
 - Presenting information and briefing arrangements (e.g., the Area Forums)
(See **Appendix A**)

Review Basis

3. Reviewing the committees' workload was promised following the Full Council's decision in June 2022 (see point 4 below). It was decided that it would be sensible to review the workload of different committees at the same time as considering the improvements to our scrutiny arrangements following receiving Audit Wales' report (see 7 below).

Background

4. Due to the requirements of the Local Government and Elections (Wales) Act 2021, it became clear that it was not possible for the Governance and Audit Committee to continue scrutinising corporate matters. Following the Scrutiny Forum's recommendation, the Full Council's decision in June 2022 was to house the corporate matters in one of the three scrutiny committees that already existed, by recognising the Education and Economy Scrutiny Committee as the best location.
5. The above conclusion was made following the workload of the three scrutiny committees in the period up to May 2022 and that some of the items scrutinised by the Governance and Audit Committee during 2021/22, namely Apprenticeships and Keeping the Benefit Local, tied in with education and economy matters. Members of the Scrutiny Forum recommended the arrangement be reviewed after a period of 18 months of operation, a sufficient period for matters to stabilise following the

election. The current terms of reference of the scrutiny committees following the Full Council's decision in June 2022, is seen in **Appendix B**. The changes needed to reflect the Communities Scrutiny Committee's field of work following recent changes are highlighted in the document.

6. There was clear guidance in 2022 to not make 'major' changes to the scrutiny arrangements as this was the third change within a short period. The table below shows the other quite recent changes to the scrutiny arrangements.

02/03/2017	
Agenda for The Council on Thursday, 2 March, 2017, 1.00pm. (gov.wales)	
A full review of Gwynedd's scrutiny arrangements following a <u>critical report</u> by Audit Wales. Consider two options - 3 scrutiny committees, or one main scrutiny committee.	
DECISION:	3 Scrutiny Committees. Establish an Education and Economy Scrutiny Committee, Care Scrutiny Committee and Communities Scrutiny Committee, with corporate elements to be scrutinised by the Governance and Audit Committee. Decommission the Services Scrutiny Committee (that looked at the fields of adults, older persons, families, children and young people, education, path for the economy and health) and the Corporate Scrutiny Committee (that scrutinised Corporate Strategy, Partnerships, Engagements, Transforming business, efficiency of services, outcomes agreements, workforce, Customer Care)
Rationale:	Reconcile the workload of all scrutiny committees.
19/12/2019	
Agenda for The Council on Thursday, 19 December, 2019, 1.00pm. (gov.wales)	
A full review of Gwynedd's scrutiny arrangements. Recognise the 'purpose' of scrutiny so everyone understands the role of scrutiny. Consider three options (3 scrutiny committees, one main scrutiny committee, two scrutiny committees)	
DECISION:	3 Scrutiny Committees with corporate elements to continue being scrutinised by the Governance and Audit Committee. (Communities Scrutiny Committee, Education and Economy, Care - with Housing and Property matters being scrutinised by the care committee).
Rationale:	Attempt to ensure sufficient time to scrutinise each item that needs to be scrutinised and ensure that each back bench member has a role through the scrutiny arrangements.

Audit Wales

7. Audit Wales held an independent review of scrutiny efficiency in Cyngor Gwynedd during the first few months of 2023. The final report was received at the end of September 2023. (A copy was presented to the Governance and Audit Committee on 12 October 2023).
8. The report received is encouraging, acknowledging the changes that have been made over the last few years to strengthen our scrutiny arrangements and give scrutiny a higher status in Gwynedd.
9. Recommendations to improve were formed by Audit Wales, and presented to the Governance and Audit Committee on 12 October 2023 for the Committee to be happy that appropriate arrangements are in place to ensure that improvement proposals that arise from external audit inspections would be realised.
10. During the discussion "the need to consider arrangements so that the Governance and Audit Committee's work can be fed into the scrutiny arrangements" was noted. Note that the role of the Governance and Audit Committee is one to scrutinise risks and the Council's governance arrangements and corporate performance whilst the Scrutiny Committee's roles are to scrutinise quality and general performance in specific fields and the Council's policies. If a risk has been highlighted an arrangement is in place for the Governance and Audit Committee to refer matters to the relevant scrutiny committee so that the committee can consider scrutinising the matter in detail subject to their work programme.

Consultation

11. An opportunity was given to Members and officers to give input to the review. Two workshops were held for councillors on 20/10/2023 and 10/11/2023. 23 Members attended.
12. In the workshops, there was an opportunity to gather the Councillors' views regarding the most appropriate location to scrutinise corporate matters, any observations on the actions following Audit Wales' report and any other observations/matters that need attention as part of the review.

The most appropriate location to scrutinise corporate matters

13. Below are the messages arising from the workshops when discussing the most appropriate location to scrutinise corporate matters:
 - There was no clear direction arising from the workshops regarding the 'home' of corporate matters nor a clear direction to the scrutiny arrangements for the future

- There was a general sense that the Education and Economy Scrutiny Committee's workload was too heavy and that either corporate matters and/or economy matters could be moved to another committee.
- Observations were given that the Communities Scrutiny Committee was the most appropriate location for these elements
- It was added that an additional committee could be created (a fourth committee for those matters (economy and corporate) by leaving the education matters in their own scrutiny committee
- Not everyone agreed with this and the data up until now in terms of the number of items scrutinised does not support additional pressure on one committee.
- One member asked for one main scrutiny committee and more investigations
- Some called for 4 (or 5) scrutiny committees and more investigations
- Some noted that the current arrangements were correct and that the experience of the past indicated that there were not enough matters to host another committee over the Council period.

Matters arising from actions following Audit Wales' report

14. The second category in terms of observations were matters arising from the actions following Audit Wales' report. Specific observations have been presented that we will implement as part of the work programme. See **Appendix C**.

Other considerations

15. Additionally, the following matters were raised in the scrutiny workshops and the initial discussions with the Leadership Team and the Heads of Departments:
- Frustration and unrealistic expectations
 - by scrutiny Councillors about what is possible to achieve within a short timeline and limited resources (departmental resources, scrutiny staff resources and also Councillors' time) and
 - on how much scrutiny Councillors can achieve and challenge in five meetings a year, whilst bearing in mind that many balance a career with their role as a Councillor and therefore will not know as much about the developments within each Council field as Cabinet Members
 - There is some misunderstanding regarding the role of scrutiny -
 - Although a Scrutiny Committee can refer a matter for specific consideration by the Cabinet or call in a Cabinet decision, presenting recommendations to be considered by the Cabinet Member is the usual role of scrutiny - the Cabinet Member does not have to accept all recommendations nor do all recommendations by scrutiny committees have to be presented to a Cabinet meeting.
 - When the scrutiny committee's decision notes "Receive the report by noting the observations" it does not mean that it has been received to present information, and that there was not a challenge and specific observations for the Cabinet Member to consider.

- There is room for Scrutiny Members to create stronger recommendations on some items to ensure that a Cabinet Member gives full consideration to a specific point/points and report back to the committee in time
- Prioritising the correct matters to scrutinise is a challenge - especially at the beginning of the Council term (this is seen at the beginning of each new Council term)
- The developments need to be considered for the performance element and the relationship with scrutiny (whether it be formal in the committees or not) as part of the developments - it is an action that has been noted.
- A problem with Members' availability to stay in a committee all day was identified and the frustration that some served on two scrutiny committees whilst some councillors were not on a scrutiny committee at all (although the opportunity is available). The attendance in scrutiny committees, on average, is 80% of the members. Currently, an independent and a Labour/Liberal member is required to be on an average of 2.5 of the Council's committees, and a member of the Plaid Cymru group (outside of the Cabinet) to be on average of 3 committees per member. Recently several empty seats have arisen - especially on the Language committee.
- The number of Councillors on each committee was considered as part of the consideration of the arrangements.
- In addition, the officers' resources to support the arrangements need to be considered - the availability of chief officers to create reports and attend scrutiny committees (and investigations).
- There is room to consider the form and shape of reports to the scrutiny committees, and the time taken whilst presenting an item instead of going straight to challenging.
- The frustration regarding the lack of progression from the vice-chair to the Chair's role was noted, losing understanding of the field and the requirements of the role.
- There is a lack of understanding from Councillors regarding when, how and where to raise matters that they need answers to and how to get information. The Chief Executive intends to get to grips with these matters as noted previously.

Further consultation

16. The above information was presented to a joint-meeting of the Scrutiny Forum and the Cabinet Members (05/12/2023) by asking them to discuss the different possible

options, consider the advantages and disadvantages of each option and draw a conclusion on the recommendation for the way forward. Option 1 of the options below – no change to the current arrangements - was their preferred option.

17. The joint-meeting's perspective above was presented to the Management Team (Chief Executive, Corporate Director and Heads of Departments) on 06/12/2023, officers also have a key role to ensure that the scrutiny arrangements work easily. They supported Option 1. The need to highlight pressures on Heads/Departments if there was a change to the current arrangement was noted with the risk that resources were prioritised to report to the scrutiny committees instead of acting on improvements.

Possible options

18. The possible options discussed are noted below, based on the discussions that were held when reviewing. It is also noted that there will be **actions on the matters noted following Audit Wales' review for any option.**

19. The options:

Option 1 - no change to the current arrangements	
+	-
Number of items per committee had been quite consistent, The arrangements seem to be working well and the opinion of the external auditors noted that. Actions against the recommendations to hone the arrangements further.	Some Councillors have noted frustration with the current arrangements.

Option 2 - Move corporate matters to the Communities Scrutiny Committee, by leaving Education and Economy matters in one committee.	
+	-
Release the Education and Economy Scrutiny Committee's 'time' to prioritise about 2 - 3 additional items per year.	The work pressures of the Communities Scrutiny Committee become heavier, and there will be a need to prioritise to keep to three items per meeting.

Option 3 - Move corporate and economy matters to the Communities Scrutiny Committee, by leaving Education matters on their own in a specific committee.	
+	-
Education matters are given due attention (in the opinion of some members)	<ul style="list-style-type: none"> • The work pressures on the Communities Scrutiny Committee are very heavy (a risk whether it would be sustainable?) • Work pressures on the education department is very high to feed a specific committee • A challenge whether there are enough items to maintain a committee with education matters only over five years without repeating too much?

<p>Option 4 - establish a fourth scrutiny committee. No change to the Care Scrutiny Committee. No change to the Communities Scrutiny Committee.* Education and Economy Scrutiny Committee (drop the corporate element)* A fourth committee to look at Corporate, performance and language matters (scrutinise acting on the language strategy). To ensure sufficient resources to host a fourth committee, the Language Committee would have to be removed.</p>	
+	-
<ul style="list-style-type: none"> • Education matters are given due attention (in the opinion of some members) OR • Release the Education and Economy Scrutiny Committee's 'time' to prioritise about 2 - 3 additional items per year. • A high status to report on the performance and scrutiny of arrangements to meet the standards and promote the language 	<ul style="list-style-type: none"> • Depending on the performance arrangements • No specific Language Committee by Cyngor Gwynedd (scrutinise through this committee, and strategic input through the county language forum) • Resources go to support committees, less time for investigations. • Need to consider scrutinising language matters in a specific field (i.e., education, local development plan)

* the 'economy' element could be moved to the Communities Scrutiny Committee in this option, see the +/- in option 3.

Conclusion

20. Option 1 was preferred by the joint-meeting of the Scrutiny Forum and the Cabinet. The Management Team agreed with their recommendation. The Scrutiny Forum members met on 11/12/2023 to evaluate all the discussions and responses. Following the detailed work over the last few months and the evidence provided, the Scrutiny Forum presents Option 1 - keeping the current arrangements, as a recommendation for consideration of the Governance and Audit Committee.

21. The basis of the recommendation is noted below:

- A positive report was received by Audit Wales, and getting to grips with the action plans will build on the success of the current arrangements and strengthen them, by further improving scrutiny efficiency
- Good progress has already been made with our scrutiny arrangements, and acting on some of the steps have already been seen, such as sharpening the arrangements by the committees and the development of the cabinet's forward programme.
- Experience has shown that work programmes stabilise over a period of five years

- Although prioritising matters can be challenging, it enables scrutiny on a cross-section of matters and avoids excessive scrutiny on one subject that could be of specific interest to individuals
- Developing the arrangements for the Area Forums/briefing sessions and presenting information will allow Members to get detailed information about their area in a specific way, by enabling the Scrutiny Committees to scrutinise strategically on specific matters.

22. Decision sought:

The Governance and Audit Committee is asked to:

- Consider the detailed review work that has been undertaken
- Consider the Scrutiny Forum's recommendation, namely, Option 1 - keeping to the current scrutiny arrangements
- To make a recommendation to present to the Full Council on 07/03/2024.