



Glasgow City Council

Report by Head of Communication and Strategic Partnerships

Contact: Moira Carrigan Ext: 74112

**FINANCE AND AUDIT SCRUTINY COMMITTEE - RESULTS OF COMMITTEE
EFFECTIVENESS INDEPENDENT ASSESSMENT**

Purpose of Report

To advise members of the main findings from the recent independent assessment of the Finance and Audit Scrutiny Committee, undertaken as required by the Council's Standing Orders.

Recommendations

The Committee is asked to:

- 1) Note the content of the report
- 2) Agree to the implementation of the action plan, to be led by the Executive Director of Finance in conjunction with the Chair and Vice Chair; and
- 3) Refer the report for inclusion in the consolidated report to Operational Performance and Delivery Scrutiny Committee

Ward No(s):

Citywide: X

Local member(s) advised: Yes No consulted: Yes No

1. Introduction

- 1.1 The council's Standing Orders require all committees to undertake an effectiveness evaluation each year, and an independent assessment in year three of the council.
- 1.2 This report outlines the findings from the independent assessment of the Finance and Audit Scrutiny Committee (FASC). The assessment was undertaken by Martin Booth, Executive Director of Finance, Colin Edgar, Head of Communication and Strategic Partnerships and Moira Carrigan, Head of Service Development, Financial Services.
- 1.3 As part of the review process officers considered the results of the previous assessments reported to FASC in December 2018 and 2019.
- 1.4 The scope of this assessment focussed on sharing best practice and potential ways to enhance the working of committees across the council in the lead up to the next local government elections. This included the following questions:
 - Is there a workplan agreed at least annually, and reviewed periodically?
 - Are agendas agreed in advance and do they follow the workplan?
 - Are papers and reports relevant, concise, accurate and accessible?
 - Do pre agendas take place and how do they operate?
 - Do all members have an opportunity to participate? Do members actively engage?
 - Does the Committee's work dovetail with other committees to avoid duplication, but also to ensure that important and relevant issues are appropriately passed on?
- 1.5 Individual surveys for each committee were issued to all committee members, Chairs and Vice Chairs during August 2021. Seven of the 15 elected members invited to complete the survey for FASC responded, a return rate of 47%
- 1.6 Officers met with both the Chair and Vice Chair of FASC to discuss the results of the survey, reflect on the Terms of Reference (ToR) and the committee workplan and identify opportunities for improvement.

2. Executive Summary

2.1 Overview of Survey Results

- 2.1.1 The results of the survey are provided as Appendix 1. The responses received are generally positive:
 - All respondents agree that FASC fulfilled its ToR, that they understand the remit of the committee and that FASC helps the council deliver better outcomes.
 - All agree that the workplan reflects the ToR, however one respondent felt they were unable to contribute to the development of the workplan.

- All respondents agree that the committee is effective in carrying out its remit and that it helps drive the improvement function of the council.
- The quality of committee papers is considered good, and the majority are satisfied with the time before committee when papers are received, the clarity of the information in the papers and the accuracy of the minutes. The other respondent in each case was neither satisfied nor dissatisfied.
- All agree that the Chair enables all members to participate, there is open and constructive discussion and members attendance is satisfactory.
- Less than half of respondents (3) agree the results from the last self-assessment reported in December 2019 were used to assist FASC. The remaining respondents were either undecided or offered no opinion.

2.1.2 With respect to other survey questions the following are of note:

- Responses vary in terms of whether FASC influences the policies of the council (4 agree, 1 disagrees, 2 neither agree nor disagree), but the majority agree that FASC influences decisions of the Council, with one respondent neither agreeing nor disagreeing
- One respondent disagreed that officers are generally able to deal with questions that arise, and one respondent disagreed that officer attendance is satisfactory.
- Although there was agreement that the frequency of meetings allows FASC to carry out its function one respondent commented that a six-weekly committee cycle would be more effective

2.2 Feedback from Discussions with the Chair and Vice Chair of FASC

2.2.1 The Chair and Vice Chair consider that the full committee is involved in developing the workplan and highlighted areas where the focus of scrutiny has developed organically, for example Developer Contributions.

2.2.2 Although the survey respondents agree that FASC fulfilled its ToR, the Chair and Vice Chair consider it important that scrutiny committees should regularly reflect on the scope of their ToR.

2.2.3 MSTeams enabled FASC fulfil its scrutiny role during the pandemic, however it was noted that conducting the committee on a virtual platform could present challenges for some. The opportunity for the Chair to directly engage with the Director of Finance during an in-person meeting was viewed as beneficial.

2.2.4 In response to the comment in paragraph 4.2 of Appendix 1, the Chair advised that due to the technical and/or detailed nature of questions raised at committee it would be unrealistic to expect a full and immediate response from officers in attendance. It is felt that the Q&A approach allows time for a full response to be developed if necessary.

2.2.5 During the discussions the Chair and Vice Chair were asked to consider if it would be beneficial to the scrutiny process to have an appropriately qualified individual attend as a member of committee. This was previously considered as part of the assessment of FASC reported in December 2018.

The Executive Director of Finance has previously implemented this for the boards of both Glasgow Life and Jobs and Business Glasgow and the approach has been well received. The Chair and Vice Chair were open to the proposal but emphasised the importance of ensuring the individual appointed is politically neutral.

2.2.6 It was noted that FASC has implemented improvements to enhance scrutiny including:

- the addition of a fourth category of 'service improvement' for audit recommendations
- amending the cycle of business to separately consider audit matters and financial monitoring, enhancing the focus of the committee and improving the 'flow' of the meetings
- introducing the Q&A report as a standing agenda item, providing an audit trail where officers are unable to provide a full response to questions raised at committee.

2.2.7 The Chair considers it important to ensure members receive adequate training to enable them to fully participate in the business of FASC and fulfil their scrutiny role. A positive development has been that members are offered the opportunity to attend training delivered by internal and external providers. The Centre for Governance and Scrutiny provided training for members of both FASC and Operational Performance and Delivery Scrutiny Committee (OPDSC), and external training has been provided on technical areas such as Treasury Management.

2.2.8 FASC and OPDSC have been established by the council to scrutinise and monitor operational and financial performance of services and ALEOs. The Chairs of both committees have previously met to discuss synergies and opportunities. The Chair and Vice Chair of FASC consider that such discussions should continue to take place.

2.3 Officer Assessment

2.3.1 In general the views of the officers undertaking the review align with the results of the survey, notably that the ToR were fulfilled, that the workplan is agreed and reviewed periodically and that FASC helps the council deliver better outcomes.

2.3.2 Based on consideration of previous committee meetings and agendas there is evidence that members are given the opportunity to participate and ask questions, allowing them to fulfil their scrutiny remit and the Chair ensures that open debate takes place and members are given sufficient time to explore matters

- 2.3.3 Where members consider there are opportunities for improvement these have been scrutinised in detail and action taken, for example Developer Contributions.
- 2.3.4 Although FASC is required to consider specific financial reports during the year, the Agenda is sufficiently flexible to allow members to consider a broad range of additional reports, some of which have now been incorporated as regular items for consideration.
- 2.3.5 The Q&A approach enhances accountability, and it would be unrealistic to expect officers with expertise to be on hand to answer all potential questions.
- 2.3.6 The Executive Director of Finance agrees that the range of developments introduced have improved the effectiveness of FASC in undertaking its scrutiny role. There is, however, an opportunity to enhance the breadth of financial expertise of FASC by engaging an appropriately qualified individual to join as a member of the Committee. This would be on a voluntary basis and non-remunerated.
- 2.4 Following the review, three recommendations have been made and these are outlined in the Action Plan below.

2 Action Plan

No.	Observation	Recommendation
1	It is considered important that scrutiny committees should regularly reflect on the scope of their ToR.	FASC review the ToR on an annual basis to ensure they remain relevant
2.	There is an opportunity to enhance the breadth of financial expertise of FASC membership	FASC to agree to commence the process to appoint an independent external expert to the committee to support the scrutiny function for the council.
3.	Ensure continued co-ordination of the scrutiny role within the council	The chairs of FASC and OPDSC work together to co-ordinate workplans, and consider reports that impact both financial and operational matters

4. Policy and Resource Implications

4.1 Resource Implications:

<i>Financial:</i>	None
<i>Legal:</i>	None
<i>Personnel:</i>	None

Procurement: None
Council Strategic Plan: Supports the Council Strategic Plan theme of: *A Well Governed City That Listens and Responds.*

4.2 Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-2025 N/a

What are the potential equality impacts as a result of this report? N/a

Please highlight if the policy/proposal will help address socio economic disadvantage. N/a

4.3 Climate Impacts:

Does the proposal support any Climate Plan actions?

Please specify: None

What are the potential climate impacts as a result of this proposal? None

Will the proposal contribute to Glasgow's net zero carbon target? None

4.4 Privacy and Data Protection Impacts None

5. Recommendations

5.1 The Committee is asked to:

- 1) Note the content of the report
- 2) Agree to the implementation of the action plan, to be led by the Executive Director of Finance in conjunction with the Chair and Vice Chair; and
- 3) Refer the report for inclusion in the consolidated report to Operational Performance and Delivery Scrutiny Committee

Appendix 1

Briefing to: Colin Edgar – Head of Communication and Strategic Partnerships

Subject: Elected Members Survey – Review of Finance and Audit Scrutiny Committee

Contact: Darren Keenan, Strategic Policy and Planning

Date: 30th September 2021

1.0 Introduction

- 1.1 The Council's Standing Orders require all Committees to undertake an independent assessment in year 3 of a Council Administration.
- 1.2 As part of this assessment a survey was distributed to all Elected Members of the Finance and Audit Scrutiny Committee (FASC). It invited them to provide their views on various aspects of the committee and allowed suggestions for any areas of improvement to be considered. The survey was carried out between the 6th and 27th August 2021.
- 1.3 All 15 Elected Members were invited to complete the survey, of which 7 were returned; this represents a return rate of 47%.
- 1.4 The overall findings from the survey are mainly positive and are listed within this briefing, along with any additional limited written comments received. Please note that due to the small overall sample (15), and number of respondents (7), where appropriate whole numbers in brackets are listed along with percentages for information purposes.

2.0 Role of the Finance and Audit Scrutiny Committee

- 2.1 All respondents (100%) agree that the Committee fulfilled its terms of reference, that the workplan reflected the Terms of Reference and that agendas cover items relevant to the Committee.
- 2.2 All respondents (100%) also agreed that they understood the remit of the Committee, that the Committee is effective in carrying out its remit, the Committee helps to drive the improvement function of the Council and helps the Council delivery better results.

- 2.3 A majority (86% 6 respondents) did agree that they were able to contribute to the development of the workplan and that the Committee influences decisions of the Council. Just over half agree (57% 4 respondents) agree the Committee influences policies of the Council. (Table 1)

Table 1: To what extent do you agree or disagree with the following statements relating to the FASC Committee?			
	Agree	Neither Agree nor Disagree	Disagree
The Committee fulfilled its Terms of Reference	100% (7)		
The workplan of the Committee reflects its Terms of Reference	100% (7)		
Agendas cover items relevant to the Committee	100% (7)		
I understand the remit of the Committee	100% (7)		
The Committee is effective in carrying out its remit	100% (7)		
I am able to contribute to the development of the Committee workplan	86% (6)		14% (1)
The Committee influences decisions of the Council	86% (6)	14% (1)	
The Committee influences policies of the Council	57% (4)	29% (2)	14% (1)
The Committee helps to drive the improvement function in the Council	100% (7)		
The Committee helps the Council deliver better outcomes	100% (7)		

3.0 Committee Papers

- 3.1 All respondents (100%) are satisfied with the quality of the Committee papers and what they are asking the Committee to do.
- 3.2 A majority (86% 6 respondents) are also satisfied with time before Committee when papers are received, clarity of information included and standard of minutes. (Table 2)

Table 2: How satisfied or dissatisfied are you with the following aspects of Committee papers?			
	Satisfied	Neither Satisfied nor Dissatisfied	Dissatisfied
Quality of the Committee Papers	100% (7)		

Table 2: How satisfied or dissatisfied are you with the following aspects of Committee papers?			
	Satisfied	Neither Satisfied nor Dissatisfied	Dissatisfied
Time before Committee when papers are received	86% (6)	14% (1)	
Clarity of information included in Committee papers	86% (6)	14% (1)	
What the papers are asking the Committee to actually do	100% (7)		
Standard of minutes with regards to accuracy etc.	86% (6)	14% (1)	

3.3 Some additional comments were provided in relation to Committee papers. These included:

- Papers should be sent as PDF pack
- More colour in diagrams would be helpful

4.0 Conduct at Finance and Audit Scrutiny Committee Meetings

4.1 Views on the conduct at FASC were generally positive, with almost all respondents agreeing with all statements listed below (Table 3).

Table 3: Below is a list of statements relating to the conduct at Finance and Audit Scrutiny Committee meetings. Please indicate the extent to which you agree or disagree with each.			
	Agree	Neither Agree nor Disagree	Disagree
The Chair enables all members to participate	100% (7)		
There is generally open and constructive discussion	100% (7)		
Officers are generally able to deal with questions that arise	86% (1)		14% (1)
Where a question cannot be answered at Committee, a response is provided timeously	100% (7)		
Sufficient time is allocated to allow the Committee to manage its business	100% (7)		
The frequency of meetings allows the Committee to carry out its function	100% (7)		
Members attendance at Committees is satisfactory	100% (7)		
Officers attendance at Committees is satisfactory	86% (6)		14% (1)
Members behave with respect in meetings	100% (7)		

4.2 Some additional comments were provided in relation to the conduct of attendees at Committee meetings. These included:

- The length of the questions paper at the start of each meeting is an indication that officers are not ready and able to answer questions at committee.
- Attendance by officials from outside the Council is good.
- A six-week committee cycle would be more effective.

5.0 Skills and Experience

5.1 A majority (71% 5 respondents) felt that FASC has the right mix of skills and experience to carry out its remit. While 29% (2 respondents) indicated they “didn’t know” if this was the case. (Table 4)

Table 5: Do you feel the membership of the FASC Committee has the right mix of skills and experience to carry out its remit?		
	%	Number
Yes	71%	5
No		
Don't Know	29%	2

6.0 Performance Improvement

6.1 In terms of performance improvement, less than half of respondents (43% 3 respondents) agree the results from the last self-assessment were used to help FASC; while just under a third were undecided (29% 2 respondents). A further 29% (2 respondents) provided no opinion.