

The Vale of Glamorgan Council

Cabinet Meeting: 31 July, 2017

Report of the Leader

Wales Audit Office - Annual Improvement Report 2016-17; Good Governance when Determining Significant Service Changes Report; Corporate Assessment Follow Up Report

Purpose of the Report

1. The report informs Cabinet of the receipt of the three Wales Audit Office (WAO) reports, namely the Annual Improvement Report 2016-17, the report on Good Governance when Determining Significant Service Changes and the Corporate Assessment follow up report. A similar report is being presented to Audit Committee on the 26 July 2017.

Recommendations

1. That Cabinet notes the contents of the Wales Audit Office reports, namely the Annual Improvement Report 2016-17, the report on Good Governance when Determining Significant Service Changes and the Corporate Assessment follow up.
2. That Cabinet notes and endorses the contents of the reports in so far as it relates to progress against the Proposals for Improvement.
3. That a further report be brought to Cabinet in January 2018 to outline progress made against the Proposals for Improvement.

Reasons for the Recommendations

1. To note the content of the Wales Audit Office reports.
2. To agree and endorse the progress to be made against the Proposals for Improvement.
3. To ensure that Cabinet is in a position to monitor progress against Proposals for Improvement.

Background

2. The Corporate Assessment of this Council was undertaken during the early part of 2016. Members will recall that the report was published by WAO on 25 August 2016. That report was itself reported to Cabinet on 5 September 2016 (minute number C3282 refers).

3. A further report was presented to Cabinet on 26 September, which report included an Implementation Plan to reflect how the Proposals for Improvement required by the WAO would be progressed (minute C3293 refers).
4. A further report was presented to Cabinet on 20 February 2017, outlining progress that was being made against the Proposals for Improvement (cabinet minute C3471 refers). Members will recall that the Corporate Assessment reports included a total of five Proposals for Improvement. Two Proposals for Improvement related to Performance Management. Further Proposals for Improvement related to finance reporting, ICT and Asset Management.

Relevant Issues and Options

5. The Corporate Assessment Follow Up report (document reference 385A2017) is attached at [Appendix 1](#). The summary report contains, at page 4 the details of the 5 Proposals for Improvement considered in the initial Corporate Assessment undertaken and published in 2016. Paragraph 2 (page 5) contains information as to whether the Council is making effective progress against the Proposals for Improvement.
6. The report concludes that the Council has implemented, in full, changes to Performance Management and target settings.
7. Whilst the action against savings monitoring report has been taken forward, the report concludes that there remains scope to improve the level of details in some reports and to improve the use of the RAG ratings to be more transparent. This is accepted, and work is already underway to ensure that the quarterly reports to Scrutiny Committee include further levels of detail and further explanation on how savings are being progressed.
8. In relation to the Proposal for Improvement relating to ICT and the need for an ICT Strategy the finalisation of the Strategy has been noted, but recognition is also given to the fact that this will be further refined by the completion of a Digital Strategy. Cabinet's attention is drawn to the fact that a draft Digital Strategy is already finalised and is being reported to this Cabinet meeting.
9. Finally, the WAO notes that the Council has not met its own target for addressing the Proposal for Improvement in relation to asset management. This is accepted and although there has been progress against the proposal, further work is needed to ensure that work on data management is up to date to ensure readily accessible building compliance recording. This is a matter which is ongoing and is being monitored by Corporate Management Team and the Insight Board.
10. The Council has also received a further WAO report entitled 'Good Governance when Determining Significant Service Changes (document reference 359A2017), and this report is attached as [Appendix 2](#). The review concluded that the Council "**has a clear corporate framework for determining and delivering service changes and effective arrangements to support delivery, within some opportunities to strengthen stakeholder engagement**".
11. The report also concludes that "**the Council's Reshaping Services Programme provides a framework for determining significant service changes and supports their delivery**". Reference is made to the fact that the Council considers different models of service delivery for different services (a mixed economy model), this being a flexible approach. Reference is also made to 'clear roles and responsibilities and strong programme and project governance' which are "well

understood by senior officers and members" as well as effective working between cabinet and senior managers, within a clear framework for Scrutiny. The report also acknowledges the range of staff engagement and training that supports the delivery of Reshaping Services and wide activity.

12. Two Proposals for Improvement are set out which reflect the need to provide more information on Cabinet and Scrutiny Forward Work Programmes (P1) and the need to continue to consult and engage on all service changes where consultation and where engagement is not appropriate, such an approach should be clearly documented (P2).
13. These are matters that will now be factored into our approach moving forward. Within reference to P1, the Annual Forward Work Programme has been set and published for 2017/18. However, for the quarterly cabinet work programmes, the recommendations of the WAO will be incorporated and these work programmes will include additional detail in relation to the purpose of the reports. In relation to P2, this is an issue that will be taken on board by the Reshaping Services Board and also in any reports that seek to progress any further service changes. Progress against P1 and P2 will be monitored by the Council's Insight Board and Corporate Management Team.
14. The Proposals for Improvement as outlined above are in turn referenced in WAO's Annual Improvement Report attached at [Appendix 3](#). Exhibit 2 of this Annual Improvement Report describes the work undertaken by WAO since the previous Annual Improvement Report. As well as listing the Proposals for Improvement in relation to Governance, it also lists the Proposals for Improvement from an earlier report on Savings Planning (published in March 17), which Proposal seeks a strengthening of financial planning arrangements by developing a strategic approach to income generation and ensuring that all savings plans included in the annual budget are fully developed.
15. [Appendix 3](#) of the report also lists recommendations that have arisen out of national reports published by the WAO. It is notable that one of the recommendations relates to income and charging policies. In this regard, the Council is currently drafting an Income Generation Strategy and this will be presented to Cabinet in the Autumn 2017.

Resource Implications (Financial and Employment)

16. None over and above those identified in the body of the report. Members will note that a key element of the work of the WAO involved assessing the Council's approach to financial management and governance of change processes.

Sustainability and Climate Change Implications

17. None directly attributable to this report, although the Corporate Assessment process and wider WAO reviews do consider the way in which the Council manages its assets.

Legal Implications (to Include Human Rights Implications)

18. None over and above those identified in the body of this report.

Crime and Disorder Implications

19. None directly attributable to this report.

Equal Opportunities Implications (to include Welsh Language issues)

20. None directly attributable to this report.

Corporate/Service Objectives

21. This report links to the performance and reputation of the Council in terms of its capability and capacity to deliver quality services to citizens and to deliver its vision of 'Strong Communities with a Bright Future' as well as all corporate outcomes and related objectives.

Policy Framework and Budget

22. This is a matter for Executive decision by Cabinet.

Consultation (including Ward Member Consultation)

23. Corporate Performance and Resources.

Relevant Scrutiny Committee

24. As this report is not Ward specific, no consultation has been undertaken.

Background Papers

WAO Corporate Assessment Report 2016 (incorporating the Annual Improvement Report 2015-16)

WAO Annual Improvement Report 2016-17

WAO - Good Governance when Determining Significant Service Changes

WAO - Improvement Assessment 2016-17 Corporate Assessment Follow Up

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Officers Consulted

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