



AUDIT COMMITTEE – 11TH JUNE 2014

SUBJECT: REGULATOR PROPOSALS FOR IMPROVEMENT PROGRESS UPDATE

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & S151 OFFICER

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update members on progress against the proposals made by our regulators since the last Audit Committee update that was provided on the 6th November 2013.

2. SUMMARY

- 2.1 The previous report detailed all the outstanding proposals as at November 2013. Since that time a number of historical proposals have now been addressed and new ones have come onto the list from recently received regulator reports. Previously it was decided for the purposes of reporting to split the register into Appendix A (historical proposals) and Appendix B (new proposals received)
- 2.2 The purpose of this is was to ensure there was an accurate picture of how the backlog was being addressed and to draw a line under the historical proposals. We are now in a position where enough progress has been made that a split is no longer needed and we can now have one register, this is shown on the Appendices.
- 2.3 Section four details the statistical position and progress against regulator proposals across the range of their various reports.

3. LINKS TO STRATEGY

- 3.1 Both the Corporate Assessment and the Annual Improvement Report (WAO) are designed to assess and report on the Council's compliance with the Local Government Measure 2009. In addition it encapsulates other regulatory and inspection outcomes.

4. THE REPORT

- 4.1 Outstanding Historical Proposals (Pre 2013) = 2. These are:
1. Formal annual financial assessments of its Improvement Objectives are included within all relevant SIPs to ensure that resources are clearly aligned to priorities;
 2. Better engage and strengthen scrutiny to improve self-evaluation arrangements and to inform the councils overall evaluation of progress against its improvement objectives

Whilst these proposals have been addressed (for example with number 2 all improvement objective progress routinely go to scrutiny to evaluate their progress), the auditors wanted to keep these proposals open a little longer due to the removal of a dedicated performance management scrutiny and the new self-evaluation process, which is starting in the summer. Wales Audit Office wanted this new process to be up and running to be assured evaluation of Improvement Objectives remains an integral part of the performance monitoring cycle.

At the outset of the new monitoring process we had 29 old outstanding proposals and by November 2013 this had reduced to 6. For this reporting period it has been reduced to 2. It is recommended that these 2 are now added to the newer list so there is just one list with open proposals and one list with closed proposals to simplify the process.

From the newer proposals (current) list we reported in **November 2013** that we had **48 proposals** outstanding, within the following breakdown below:

| AIR 2013 | Customer Services Review | Asset Management | Evaluation of Social Services contribution to MTFP | Information Management Review | Review of Management Arrangements following a Homicide Report | Data Quality Review | Total |
|----------|--------------------------|------------------|--|-------------------------------|---|---------------------|-----------|
| 3 | 10 | 10 | 6 | 10 | 6 | 3 | 48 |

As of **May 2014** the progress against individual categories are shown below -

| AIR 2013 | Customer Services Review | Asset Management | Evaluation of Social Services contribution to MTFP | Information Management Review | Review of Management Arrangements following a Homicide Report | Data Quality Review | NEW - Nov Service based budget review | NEW Dec Improvement letter 2 | Total |
|----------|--------------------------|------------------|--|-------------------------------|---|---------------------|---------------------------------------|------------------------------|-----------|
| 2 | 10 | 7 | 3 | 4 | 6 | 0 | 2 | 4 | 38 |

A further summary breakdown of the **38** is shown below

| Outstanding | New ones added from Dec 2013 Improvement Letter | Sub total | From the new 6, 2 are already in the Improving Governance board action plan | Total outstanding |
|-------------|---|-----------|---|-------------------|
| 34 | 6 | 40 | -2 | 38 |

- 4.2 These figures represent good progress as we have reduced the outstanding proposals total by 10 since the last report and this includes the newer proposals that were added.
- 4.3 Customer Services proposals remain the same at 10. These have not reduced because several actions are tied up in developing a new Customer Services Strategy. Many aspects of this strategy are linked to the Medium Term Financial Plan (MTFP) so the development of the Strategy will be linked to the discussions on the MTFP. A report is being prepared by the service and sent to P&R scrutiny to explain the reason for the current delays.
- 4.4 At present the register shows both the closed and open proposals. For future reporting, once proposals are closed we would like to move these out of the 'live' list and into a closed register for ease of management. This means gaining CMT and Audit Committee agreement to close proposals where proposal owners recommend that they are now closed and have been actioned satisfactorily. These proposals are noted on appendix A as 'considered closed by Caerphilly'

- 4.5 There are 7 proposals this period that the organisation (endorsed by CMT) now considers closed (6 from the current list and 1 from the historic list).
- 4.6 Wales Audit Office have stated that the decision on whether a proposal is completed is an internal matter and is for the organisation to decide, (although it is within their remit to make more proposals if they do not believe it has been addressed).
- 4.7 Performance Management and the regulators go through the register on a regular basis to explain our closures and to check if they agree. Although as noted in 4.6 it is a matter for the authority to decide, never the less it is useful to have our regulators feedback and we have kept two open based on their opinion which would otherwise have been closed (as shown in 4.1).
- 4.8 The action plan has been checked to ensure there is no duplication between the Improving Governance Programme (IGP) proposals for Improvement and where appropriate some outstanding proposals have been moved across to the IGP action plan to be monitored by the board. This report does not include an update against the Improving Governance Programme, as this will be reported separately.
- 4.9 When monitoring progress against the proposals, members are advised to consider what value the proposals are making and what difference the activity in addressing them has made for our citizens in creating more efficient, customer focused services.

5. EQUALITIES IMPLICATIONS

- 5.1 No specific Equalities Impact Assessment has been undertaken on this report, however the Local Government Measure 2009 cites fairness and accessibility as part of a definition of what 'Improvement' means.

6. FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications arising from this report although it is worth noting that External Audit fees could be reduced, if regulators are assured and place reliance on the organisation's own ability to monitor and challenge itself to improve.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no personnel implications arising from this report.

8. CONSULTATIONS

- 8.1 There have been no consultations that have not been included in this report.

9. RECOMMENDATIONS

- 9.1 It is recommended that Audit Committee note the contents of this report, monitor the progress against the attached action plan and give agreement on closing the proposals that are noted 'Considered closed by Caerphilly endorsed by CMT'.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To ensure members are aware of progress the Council's action plan and have an opportunity

to monitor and challenge its content.

11. STATUTORY POWER

11.1 Local Government Measure (Wales) 2009

Author: Ros Roberts Corporate Performance Manager roberr@caerphilly.gov.uk
Consultees: Nicole Scammell – Acting Director of Corporate Services
Corporate Management Team
Colin Jones – Head of Performance and Property
David Hardacre – Cabinet Member for Performance and Property

Appendices:
Appendix: Update of proposal register May 2014.