



CABINET - 18TH SEPTEMBER 2013

SUBJECT: IMPROVING GOVERNANCE ACTION PLAN

REPORT BY: INTERIM CHIEF EXECUTIVE

1. PURPOSE OF REPORT

1.1 To inform the Cabinet of progress against the improving governance Action Plan.

2. SUMMARY

2.1 This report outlines progress against the Action Plan.

3. LINKS TO STRATEGY

3.1 Good governance is a pre-requisite of the activities of any Local Authority. Increasingly, the requirement to not only exhibit good governance but to demonstrate a robust system for self-evaluation will present a far greater challenge.

4. THE REPORT

4.1 In March 2013, Caerphilly received a Public Interest report from the WAO, relating to the way that the decision to award Chief Officers Pay had been handled. A response was prepared including a proposed action plan, which was approved by Council on 23rd April 2013. This is identified as Phase 1. As a result of subsequent work on the Action Plan, a number of additional areas have been identified where there is an opportunity to strengthen processes and procedures and streamline the business operations of the Council.

4.2 The three specific areas that have been added to the Action Plan are:

- Performance Management
- Risk Management
- Scrutiny

These are now incorporated into the Action Plan and identified separately as Phase 2. Both Phase 1 and Phase 2 will be progressed concurrently, but the key dates identified in the response to the audit report will be reported separately to the auditors.

Programme Management

4.3 The Action Plan is made up of a number of different but connected workstreams. In order to ensure the whole programme is rigorously delivered and robustly challenged and monitored, programme management arrangements have been put in place, including a Programme Oversight Board and a Programme Manager. Below the Programme Board sit a large number of discrete projects which will vary in size and timescale for completion. Some of these will involve changing procedures and systems, some will involve new systems, some may require organisational change and most will require a change of culture and style.

- 4.4 Timescales have been established for all the recommendations relating to the Public Interest report, and work is on-going to consider the delivery of the additional areas for improvement. It is important to take into account other significant challenges facing the Council at this time, such as the Medium Term Financial Strategy (MTFS) and not overload officers and members so that the desired outcomes are achieved.

Phase 1 – Public Interest Report Action Plan

- 4.5 The Action Plan to address the findings of the Public Interest report was approved by full Council on 23rd April 2013. The report covered five key areas:

- Advertisement of meetings
- Conflicts of interest
- Procedures for new Committees
- Records of meetings
- Clarity and comprehensiveness of Reports to Committees

Work is underway on all five aspects of the Action Plan and progress is shown in the Action Plan which is attached as Appendix A. It is anticipated that all actions will be completed by December 2013 and each recommendation will have a date identified for follow up and monitoring to ensure that changes put in place as a result of improving governance are sustained.

It will be noted that some of these work streams will be fed into the review of the Constitution which is to be undertaken by the Cross Party Working Group set up at Council on 11th June 2013.

Phase 2 – Other areas for improvement

- 4.6 As referred to above, establishing and demonstrating good governance in all aspects of Council business is critical. Increasingly, regulators will be assessing performance of public bodies on the degree to which it has embraced self regulation and the regulatory activity will subsequently be proportionate to the effectiveness of the self-regulation.
- 4.7 Officers have taken note of the areas that have previously drawn some degree of adverse criticism from the regulators (particularly the Wales Audit Office (WAO) in the Corporate and Annual assessments) and incorporated these additional issues into the overarching action plan.
- 4.8 Many of these issues have been identified previously and action plans are in place to address them. Other areas have been identified as a result of our critical appraisal of processes and procedures that led to the Public Interest report, and our need to demonstrate the highest standards of governance. To ensure that the Council has a coordinated approach to the delivery of change and addresses all the issues robustly, one overarching programme has been established that includes both Phase 1 and Phase 2.
- 4.9 The Scrutiny function has recently been subject to a review by the WAO, both in Caerphilly and across Wales. A local report has been received which sets out recommendations for improvement and these are now incorporated into the overarching action plan. Subsequently, the WAO are expected to produce an All-Wales report on scrutiny which may have additional areas of Good Practice that can be explored in the future.
- 4.10 Performance management and Risk Management are two further areas where recommendations for improvement have been received from the WAO. Separate projects have now been set up to identify and establish best practice in these two key areas and the resulting actions will again be incorporated into the overarching action plan.

Reporting and Monitoring

- 4.11 The Action Plan to address the Public Interest report recommendations and the wider overarching action plan will be monitored on an on-going basis by Cabinet and the Audit Committee. The Programme Board, as currently configured, is meeting monthly and will provide monthly progress reports to Cabinet.
- 4.12 The Corporate Management Team are provided with a fortnightly update on the Action Plan.
- 4.13 The monitoring of the Action Plan is programmed into the Forward Work Programmes of both Cabinet and the Audit Committee.

5. EQUALITIES IMPLICATIONS

- 5.1 This report is for information purposes, so the Council's EqIA process does not need to be applied.

6. FINANCIAL IMPLICATIONS

- 6.1 Cabinet on 23rd July, 2013 agreed that a provision be set aside of £50K to fund additional costs in respect of delivery of the Action Plan and Corporate Governance Works Teams.

7. PERSONNEL IMPLICATIONS

- 7.1 A secondment arrangement is currently in place with the Aneurin Bevan Health Board to the end of September 2013 that releases an individual with extensive experience in Local Government Corporate Governance related issues to the Authority on a part-time basis to assist with the implementation of the Action Plan.

8. CONSULTATIONS

- 8.1 All comments received are contained within the report.

9. RECOMMENDATIONS

- 9.1 To note progress against the Action Plan.

10. STATUTORY POWER

- 10.1 Local Government Act 2000.

Author: Stuart Rosser, Interim Chief Executive
Consultees: Cllr Christine Forehead, Cabinet Member for HR and Governance / Business Manager
Corporate Management Team

Appendices:
Appendix 1 Action Plan as presented to CMT on 8 August 2013